



**EVEREST KANTO CYLINDER LIMITED**

*Clean Energy Solution Company*

**POWERING POSSIBILITIES**

**FROM CLEAN FUELS TO CLEAN CHIPS — EKC LEADS WITH INNOVATION.**





## **EVEREST KANTO CYLINDER LIMITED**

*Clean Energy Solution Company*



**P. K. KHURANA**

We built Everest Kanto not just on steel, but on unwavering trust, relentless innovation, and a commitment to powering humanity's future — plant by plant, cylinder by cylinder.

Our journey was never only about manufacturing cylinders; it has always been about building trust, setting global benchmarks, and forging relationships that last. Integrity, quality, and a future-focused mindset have guided us from one plant to global leadership.

**MR. PUSHKAR KHURANA**  
Chairman, Executive Director



**MR. GHANSHYAM KARKERA**  
Independent Director



**DR. VAIJAYANTI PANDIT**  
Independent Director



**MR. RAMAKRISHNAN RAMANATHAN**  
Independent Director



**MRS. UMA ACHARYA**  
Independent Director



**MR. PUNEET KHURANA**  
Managing Director



## **BOARD OF DIRECTORS**

**MR. SANJIV KAPUR**  
Chief Financial Officer



## BOARD COMMITTEES

### Audit Committee

Mr. Ghanshyam Karkera (Chairperson)  
Mr. Puneet Khurana (Member)  
Ms. Uma Acharya (Member)  
Mr. Ramakrishnan Ramanathan (Member) w.e.f. June 3, 2024  
Mr. M. N. Sudhindra Rao (Member) up to June 2, 2024

### Nomination & Remuneration Committee

Ms. Uma Acharya (Chairperson) w.e.f. June 3, 2024  
Mr. M. N. Sudhindra Rao (Chairperson) up to June 2, 2024  
Mr. Ghanshyam Karkera (Member)  
Mr. Pushkar Khurana (Member)  
Dr. Vaijayanti Pandit (Member) w.e.f. June 3, 2024

### Stakeholders' Relationship Committee

Ms. Uma Acharya (Chairperson)  
Mr. Ghanshyam Karkera (Member)  
Mr. Pushkar Khurana (Member)  
Mr. Puneet Khurana (Member)

### Corporate Social Responsibility Committee

Mrs. Uma Acharya (Chairperson)  
Dr. Vaijayanti Pandit (Member)  
Mr. Pushkar Khurana (Member)  
Mr. Puneet Khurana (Member)

### Risk Management Committee

Dr. Vaijayanti Pandit (Chairperson) w.e.f. June 3, 2024  
Mr. M. N. Sudhindra Rao (Chairperson) up to June 2, 2024  
Mr. Puneet Khurana (Member)  
Mr. Ramakrishnan Ramanathan (Member) w.e.f. June 3, 2024

## REGISTRAR AND SHARE TRANSFER AGENT

MUFG Intime India Private Limited  
(formerly known as Link Intime India Private Limited)  
C-101, 247 Park, L B S marg, Vikhroli West  
Mumbai 400083  
Tel No.: (022) 4918 6000  
Fax No.: (022) 4918 6060  
Email: [rnt.helpdesk@in.mpms.mufg.com](mailto:rnt.helpdesk@in.mpms.mufg.com)  
Website: [www.in.mpms.mufg.com](http://www.in.mpms.mufg.com)

## COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Vishal Totla

## BANKERS TO THE COMPANY

State Bank of India  
ICICI Bank Limited  
HDFC Bank Limited

## STATUTORY AUDITORS

Suresh Surana & Associates LLP  
Chartered Accountants, Mumbai

## SECRETARIAL AUDITORS

M/s. Aashish K. Bhatt & Associates,  
Company Secretaries, Mumbai

## INTERNAL AUDITORS

M/s. Sharp & Tannan Associates  
Chartered Accountants, Mumbai

## REGISTERED OFFICE

204, Raheja Centre,  
Free Press Journal Marg,  
214, Nariman Point,  
Mumbai – 400 021.  
Tel.: 91 22 4926 8300 - 01  
Fax: 91 22 4926 8354  
E-mail: [investors@ekc.in](mailto:investors@ekc.in)  
Website: [www.everestkanto.com](http://www.everestkanto.com)

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## NOTICE

Notice is hereby given that the Forty-Sixth Annual General Meeting of the Members of Everest Kanto Cylinder Limited will be held on Friday, August 22, 2025 at 4:00 p.m. through Video Conference (VC)/ Other Audio-Visual Means (OAVM) to transact the following business:

**ORDINARY BUSINESS:**

1. To consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended March 31, 2025, along with the Statement of Profit & Loss and Cash Flow Statement for the year ended March 31, 2025, the Balance Sheet as at that date, the Auditor's Report and the Reports of the Board of Directors thereon.
2. To declare a final dividend of ₹ 0.70 per equity share (Face Value of ₹ 2 each) for the financial year ended March 31, 2025.
3. To appoint a Director in place of Mr. Puneet Khurana (DIN: 00004074) who retires by rotation and being eligible, offers himself for reappointment.
4. **Appointment of Secretarial Auditor:**

**"RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable Sections of the Companies Act, 2013 (the Act), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, (SEBI Listing Regulations) including any statutory modification(s) or re-enactment(s) thereof for the time being in force, based on the recommendation of Audit Committee and the Board of Directors, M/s. Aashish K. Bhatt & Associates, Practicing Company Secretaries (ICSI Unique Code: S2008MH100200) who have confirmed their eligibility for appointment as Secretarial Auditor as per the Act and who possess a valid Peer Review Certificate, be and is hereby appointed as the Secretarial Auditor of the Company for a term of five consecutive years commencing from 2025-26 to 2029-30 at a remuneration of ₹ 7,20,000/- (Rupees seven lakhs twenty thousand only) per annum, plus applicable taxes, to conduct the audit of the secretarial records maintained by the Company and to render such other services as may be allowed by the Act and the SEBI Listing Regulations.

**RESOLVED FURTHER** that any one Director or Chief Financial Officer or the Secretary of the Company, be and are hereby severally authorized to do all such deeds, matters, acts, things, as may be necessary to give effect to this Resolution."

**SPECIAL BUSINESS:**

5. **To Reappoint Mr. Pushkar Khurana as Whole-time Director of the Company:**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with Schedule V of the Act (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time-to-time, based on the recommendation of Nomination and Remuneration Committee (NRC) and the Board of Directors, the consent of the Members of the Company be and is hereby accorded for the reappointment of Mr. Pushkar Khurana (DIN: 00040489) as the Whole-time Director and Key Managerial Personnel of the Company liable to retire by rotation, for a period of five years commencing from May 26, 2025, upon such terms, conditions and remuneration (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his said tenure) as set out in the Explanatory Statement annexed to the Notice convening 46th Annual General Meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the said reappointment in such manner as may be agreed to between the Board and Mr. Pushkar Khurana.

**RESOLVED FURTHER** that the Board of Directors of the Company (the 'Board' which term includes a Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

6. **To appoint Mr. Sanjiv Kapur as a Whole-time Director of the Company:**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** Mr. Sanjiv Kapur (DIN: 07576794), who was appointed as an Additional Director of the Company, by the Board of Directors based on the recommendation of Nomination and Remuneration Committee (NRC) with effect from May 26, 2025 and who holds office up to the date of this Annual General Meeting (AGM) of the Company in terms of Section 161(1) of the Companies Act, 2013 (the Act) including any statutory modification or re-enactment thereof and the Articles of Association of the Company but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Executive Director of the Company liable to retire by rotation.

**RESOLVED FURTHER** that pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, read with Schedule V of the Act (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time-to-time, based on the recommendation of NRC,

Mr. Sanjiv Kapur (DIN: 07576794) be and is hereby appointed as the Whole-time Director and Key Managerial Personnel of the Company, liable to retire by rotation, for a period commencing from May 26, 2025 to October 31, 2026 upon the terms, conditions and remuneration (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his said tenure) as set out in the Explanatory Statement annexed to the Notice convening 46th AGM, with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board and Mr. Sanjiv Kapur.

**RESOLVED FURTHER** that the Board of Directors of the Company (the 'Board' which term includes a Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

**7. To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2026:**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of ₹ 2,50,000/- plus applicable tax and out-of-pocket expenses of M/s. Shekhar Joshi & Co., Cost Accountants [Membership No. 10700] appointed by the Board of Directors as the Cost Auditor of the Company for the financial year 2025-26 fixed by the Board of Directors on the recommendation of the Audit Committee, be and is hereby ratified and confirmed."

**NOTES:**

1. The Ministry of Corporate Affairs, Government of India ("MCA") has vide its General Circular Nos. 09/2024, dated September 19, 2024, read with other General Circulars issued from time-to-time, dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021 and September 25, 2023 (collectively referred to as "MCA Circulars") and Circular issued by the Securities and Exchange Board of India (SEBI) dated October 3, 2024 and other Circulars from time-to-time (SEBI Circulars) permitting the holding of the Annual General Meeting (AGM) through Video Conference (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue up to September 30, 2025. In compliance with the provisions of the Companies Act, 2013 (the Act), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) and MCA Circulars, the 46th AGM of the Company is being held through VC/OAVM on Friday, August 22, 2025 at 4:00 p.m. (IST). The deemed venue for the 46th

AGM shall be the Registered Office of the Company at 204, Raheja Centre, Free Press Journal Marg, 214, Nariman Point, Mumbai 400 021.

2. The Explanatory Statement pursuant to Section 102 of the Act, setting out the material facts concerning the business under Item Nos. 4 to 7 of the Notice is annexed hereto. The relevant details pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking reappointment / appointment at this AGM are also annexed. Matters under Special Business of the AGM Notice are considered to be unavoidable by the Board of Directors of the Company and hence included.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THE AGM IS BEING HELD IN ACCORDANCE WITH THE MCA CIRCULARS THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. THE FACILITY FOR THE APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE AT THIS AGM AND HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**
4. Participation of Members through VC will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
5. Corporate members intending to appoint their authorized representatives pursuant to Section 113 of the Act, to attend the 46th AGM through VC/OAVM or to vote through remote e-voting are requested to send to the Company, certified true scanned copies of the Board Resolution / Letter of Authorisation / Power of Attorney (PDF format only) to the Scrutinizer by email at [akb111981@gmail.com](mailto:akb111981@gmail.com) with a copy marked to [evoting@cdslindia.com](mailto:evoting@cdslindia.com) and [investors@ekc.in](mailto:investors@ekc.in).
6. In line with the MCA and SEBI Circulars, the Notice of the 46th AGM along with Annual Report 2025 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants (DPs) / MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited), the Registrar and Share Transfer Agent (RTA). The Company shall send a physical copy of the Annual Report to those Members who request for the same at [investors@ekc.in](mailto:investors@ekc.in) mentioning their **Folio No. / DP ID and Client ID, address** and contact details. The Notice convening the 46th AGM and Annual Report 2025 has been uploaded on the website of the Company at [www.everestkanto.com](http://www.everestkanto.com), and may also be accessed from the relevant section on the websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively.

7. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act and the relevant documents referred to in the Notice will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [investors@ekc.in](mailto:investors@ekc.in).
8. The Register of Members and the Share Transfer books of the Company will remain closed from Saturday, August 16, 2025, to Friday, August 22, 2025 (both days inclusive) for the purpose of the 46th AGM.
9. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member at the earliest. Members are also advised not to leave their demat account(s) dormant for long. Periodic Statement of holdings should be obtained from the concerned Depository Participant (DP) and holdings should be verified.
10. The Members, desiring any information relating to the accounts, are requested to write to the Company at an early date, to enable the Management to keep the information ready. Non-resident Indian Members are requested to inform the Company on [investors@ekc.in](mailto:investors@ekc.in) or its RTA on [rnt.helpdesk@in.mpms.mufig.com](mailto:rnt.helpdesk@in.mpms.mufig.com) or to the concerned DPs, as the case may be, immediately the change in the residential status on return to India for permanent settlement.
11. Members whose shareholding is in electronic mode are requested to notify any change in address or bank account details, if any, to their respective DPs. Members whose shareholding is in physical mode are requested to opt for the Electronic Clearing System (ECS) mode to receive dividend on time in line with the Circulars. We urge Members to utilize the ECS for receiving dividends. Please refer the table below point 25 for the process to be followed for updating bank account details.
12. Members may note that the Directors, at the Board Meeting held on May 23, 2025, has recommended a final dividend of ₹ 0.70 per share. **The record date for the purpose of final dividend for fiscal 2024-25 is Friday, August 14, 2025.** The final dividend, once approved by the Members at the ensuing AGM, will be paid on or after August 28, 2025 electronically through various online transfer modes to those Members who have updated their bank account details. For Members who have not updated their bank account details, dividend warrants / demand drafts / cheques will be sent to their registered addresses. To avoid delay in receiving dividend, Members are requested to update their KYC with their respective DPs (where shares are held in dematerialized mode) and with RTA (where shares are held in physical mode) to receive dividend directly into their bank account on the payout date.
13. Pursuant to SEBI Circular dated April 20, 2018, the Company is required to use electronic mode of payment approved by the Reserve Bank of India for making payment of dividend to the Members. Accordingly, the dividend, if declared will be paid through electronic mode, where the bank account details of the Members are available with the Company/RTA. Intimation regarding remittance of dividend through electronic mode will be sent separately to the Members. Dividend warrants will be sent to the Members whose bank details are not available with the Company/RTA by post.
14. To ensure timely credit of dividend through electronic mode or physical instrument such as banker's cheque or demand draft, Members are requested to notify change of address or particulars of their bank account, if any, to the RTA of the Company in case of shares held in physical form and to their respective DPs in case shares held in electronic form.
15. Members may note that the Income-tax Act, 1961, (the IT Act) mandates that dividend paid or distributed by a company on or after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. To enable us to determine the appropriate TDS rate as applicable, Members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.
  - **For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:**

**Members having valid Permanent Account Number (PAN)** - 10%\* or as notified by the Government of India;

**Members not having PAN / valid PAN** - 20% or as notified by the Government of India.

\*As per Section 206AB of the IT Act higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under the provisions of the aforesaid Section.

However, no tax shall be deducted on the dividend payable to resident individual shareholders if the total dividend to be received by them during financial year 2024-25 does not exceed ₹ 5,000 and in cases where members provide Form 15G / Form 15H (Form 15H is applicable to resident individual shareholders aged 60 years or more) subject to conditions specified in the IT Act. Resident Shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding of tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above. **To avail the benefit of non-deduction of tax at source kindly email the required forms to [investors@ekc.in](mailto:investors@ekc.in) or [rnt.helpdesk@in.mpms.mufig.com](mailto:rnt.helpdesk@in.mpms.mufig.com) by 6:00 p.m. IST on or before Monday, August 18, 2025.**

**For non-resident shareholders**, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of

20%\*\* (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA), read with Multilateral Instrument (MLI) between India and the country of tax residence of the shareholders, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA read with MLI, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian income tax authorities duly attested by the shareholders or details as prescribed under rule 37BC of the Income-tax Rules, 1962.
- Copy of the Tax Residency Certificate for financial year 2024-25 obtained from the revenue or tax authorities of the country of tax residence, duly attested by shareholders.
- Self-declaration in Form 10F.
- Self-declaration by the shareholders of having no permanent establishment in India in accordance with the applicable tax treaty.
- Self-declaration of beneficial ownership by the non-resident shareholder.
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the shareholders.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act at the rate of 20%\*\* (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents, if applicable.

\*\* As per the Finance Act, 2021, Section 206AB has been inserted effective July 1, 2021, wherein higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under the provisions of the aforesaid section. However, in case a non-resident shareholder or a non-resident Foreign Portfolio Investor (FPI) / Foreign Institutional Investor (FII), higher rate of tax as mentioned in Section 206AB shall not apply if such non-resident does not have a permanent establishment in India.

Shareholders are requested to note that in case their PAN is not registered/wrong registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to [rnt.helpdesk@in.mpms.mufg.com](mailto:rnt.helpdesk@in.mpms.mufg.com)

By submitting duly filled and signed Form 15G / 15H and Form 10F, along with the requisite supporting documents, the Shareholder is deemed to confirm to the Company that:

- a) the Shareholder satisfies the requisite criteria for submission of the same and takes full responsibility for availing the TDS deduction exemption;
- b) the Company or RTA will not be held responsible / liable and no claims shall lie against them in this regard;
- c) the online submission of the Form 15G / Form 15H (if made) shall be deemed to have been signed by the Shareholder.

The forms are also available on Company's website at [www.everestkanto.com](http://www.everestkanto.com). The aforementioned documents are required to be mailed to [investors@ekc.in](mailto:investors@ekc.in) or [rnt.helpdesk@in.mpms.mufg.com](mailto:rnt.helpdesk@in.mpms.mufg.com) by 6:00 p.m. IST before Monday, August 18, 2025. **No communication will be accepted from members on or after August 18, 2025.**

**It may please be noted that Forms received after the said date and incomplete or incorrect forms shall not be considered and shall not be eligible for non-deduction or lower deduction of tax.**

16. Members are requested to address all correspondence, including dividend-related matters, to the RTA of the Company, MUFG Intime India Private Limited, Unit: Everest Kanto Cylinder Limited, C 101, 247 Park, LBS Marg, Vikhroli West, Mumbai 400 083, Maharashtra (India).
17. Members wishing to claim dividend that remain unclaimed are requested to connect with the RTA as mentioned above, or with the Secretary of the Company, at the registered office address of the Company or through an email at [investors@ekc.in](mailto:investors@ekc.in). Members are requested to note that dividends lying unclaimed in the Company's Dividend Account for 7 consecutive years from the date of transfer, is required to be transferred to Investor Education and Protection Fund (IEPF) after 7 years. Also, shares on which Dividend remained unclaimed are also be transferred to IEPF Authority as per Section 124 of the Act, read with applicable IEPF rules.
18. In compliance with Section 108 of the Act, read with the corresponding rules, Regulation 44 of the SEBI Listing Regulations the Company is providing a facility to its Members to exercise their votes electronically through the electronic voting (remote e-voting) facility provided by the Central Depository Services (India) Limited (CDSL). Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by Members holding shares in dematerialized mode, physical mode and for Members who have not registered their email addresses is provided in the 'Instructions for e-voting' section which forms part of this Notice. The Board has appointed Mr. Aashish K. Bhatt, Practicing Company Secretaries, as Scrutinizers to scrutinize the e-voting in a fair and transparent manner. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the 46th AGM, i.e. August 22, 2025.

19. As mandated by SEBI, effective from April 1, 2019 securities of listed companies shall be transferred only in dematerialized form. In order to facilitate transfer of share(s) in view of the above and to avail various benefits of dematerialization, Members are advised to dematerialize share(s) held by them in physical form.
20. A person, whose name is recorded in Register of Members or in Register of Beneficial Owners (in case of electronic shareholding) maintained by the Depositories as on the cutoff date of **Friday, August 14, 2025** shall be entitled to avail the facility of remote e-voting/ e-voting at the AGM.
21. Members holding shares either in physical or dematerialized form, as on cut-off date, i.e. Friday, August 14, 2025, may cast their votes electronically. **The e-voting period commences on Tuesday, August 19, 2025 (9:00 a.m. IST) and ends on Thursday, August 21, 2025 (5:00 p.m. IST).** The e-voting module will be disabled by CDSL thereafter. A Member will not be allowed to vote again on any Resolution on which vote has already been casted. The voting rights of Members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. Friday, August 14, 2025. A person who is not a Member as on the cut-off date is requested to treat this Notice for information purposes only.
22. The facility for voting during the AGM will also be made available. Members present in the AGM through VC/OAVM and who have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.
23. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
24. Any person holding shares in physical form, if any and non-individual shareholders who acquire shares of the Company and become Member of the Company after the Notice is sent and holding shares as of the cut-off date, i.e. Friday, August 14, 2025, may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if he / she is already registered with CDSL for remote e-voting, then he / she can use his / her existing user ID and password for casting the vote. In case of individual shareholders holding securities in demat mode, who acquire shares of the Company and become members of the Company after the Notice is sent and holding shares as of the cut-off date i.e. Friday, August 14, 2025 may follow steps mentioned in the Notice under '**Instructions to Shareholders for remote e-voting and joining the 46th AGM virtually are as under**'.
25. We, urge the Members to support our commitment towards environmental protection by choosing receiving the communications sent by the Company through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective DP, and Members holding shares in physical mode are requested to update their email addresses with the Company's RTA, MUFG Intime India Private Limited at [rnt.helpdesk@in.mpms.mufig.com](mailto:rnt.helpdesk@in.mpms.mufig.com), to receive copies of the Annual Report 2024-25 in electronic mode. Members may follow the process detailed below for updation of their records:

| Type of holder | Process to be followed                                                                                                                                                                                                                                                                                                                           |                |
|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Physical       | For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, MUFG Intime India Private Limited at <a href="mailto:rnt.helpdesk@in.mpms.mufig.com">rnt.helpdesk@in.mpms.mufig.com</a> or by post to 204, Raheja Centre, Free Press Journal Marg, 214, Nariman Point, Mumbai - 400 021. |                |
|                | Form for registration of PAN, KYC details or changes / updation thereof.                                                                                                                                                                                                                                                                         | Form - ISR 1   |
|                | Form for confirmation of signature of securities holder (shareholder) by the Banker.                                                                                                                                                                                                                                                             | Form - ISR 2   |
|                | Declaration Form for Opting-out of Nomination by holders of physical securities in Listed Companies.                                                                                                                                                                                                                                             | Form - ISR 3   |
|                | Form for requesting issue of Duplicate Certificate and other service requests for shares / debentures / bonds, etc., held in physical form.                                                                                                                                                                                                      | Form - ISR-4   |
|                | Form for Registration of Nomination.                                                                                                                                                                                                                                                                                                             | Form No. SH-13 |
|                | Form for Cancellation or Variation of Nomination registered with the Company.                                                                                                                                                                                                                                                                    | Form No. SH-14 |
|                | The forms for updating the above details are available at Announcement To Physical Shareholders – EVEREST KANTO CYLINDER LIMITED.                                                                                                                                                                                                                |                |
| Demat          | Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP.                                                                                                                                                                                                    |                |

26. SEBI has vide its various circulars mandated the submission of PAN, KYC details and nomination by holders of physical securities. Shareholders are requested to submit their PAN, KYC and nomination details to the Company's RTA at [rnt.helpdesk@in.mpms.mufig.com](mailto:rnt.helpdesk@in.mpms.mufig.com), in the prescribed ISR forms as applicable and mentioned in point 24 above. The downloadable version of the said forms is available at the website of the Company at [www.everestkanto.com](http://www.everestkanto.com). Members holding shares in demat form are, therefore, requested to submit their KYC and Nomination details to their respective DPs. The RTAs cannot process any service requests or complaints received from the holder(s) / claimant(s), till PAN, KYC and Nomination documents / details are updated with them and/or DP as the case may be. FAQs in respect of Investors' Service Requests, published by SEBI can be viewed at the following link: [https://www.sebi.gov.in/sebi\\_data/faqfiles/jan-2024/1704433843359.pdf](https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf)
27. As per the provisions of Section 72 of the Act, Members can opt for nomination in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The form can be downloaded from the investor section of the website of the Company. Members are requested to submit these details to their DP in case the shares are held by them in demat form, and to the RTA, in case the shares are held in physical form.
28. Members may kindly note that in accordance with SEBI Circular No. SEBI/HO/OIAE\_IAD1/P/CIR/2023/131 dated 31st July, 2023, the Company has registered on the newly launched SMART ODR Portal (Securities Market Approach for Resolution through Online Disputes Resolution Portal). This platform aims to enhance investor grievance resolution by providing access to Online dispute Resolution Institutions for addressing complaints. Members can access to Online Dispute Resolution Institutions for addressing complaints. Members can access the SMART ODR Portal via the following link: <https://smartodr.in/login>. Members may feel free to utilize this online conciliation and/or arbitration facility, as outlined in the Circular, to resolve any outstanding disputes between Members and the Company (including RTA).
29. The Scrutinizer will submit his report to the Chairman of the Company ("the Chairman") or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), within 2 working days from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the Stock Exchanges, CDSL and RTA, and will also be displayed on the Company's website, [www.everestkanto.com](http://www.everestkanto.com)

**Instructions to Shareholders for remote e-voting and joining the 46th AGM virtually are as under:**

- (i) The remote e-voting facility will be available during the following period:  
  
**Commencement of e-voting:** From 9:00 a.m. (IST) on Tuesday, August 19, 2025. **End of e-voting:** Up to 5:00 p.m. (IST) on Thursday, August 21, 2025. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 14, 2025 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL upon expiry of the aforesaid period.
  - (ii) The Members who have cast their vote by remote e-voting prior to the 46th AGM may attend/ participate in the Meeting through VC / OAVM but will not be entitled to vote again during the AGM.
  - (iii) Pursuant to SEBI Circular No. **SEBI/ HO/ CFD/ CMD/ CIR/ P/ 2020/ 242 dated December 9, 2020**, under Regulation 44 of SEBI Listing Regulations, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' Resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.  
  
Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.  
  
In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting for all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of e-voting process.
- **Step 1:** Access through Depositories CDSL/ NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- (iv) In terms of SEBI circular no. SEBI/ HO/ CFD/ CMD/ CIR/ P/ 2020/ 242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

| Type of shareholders                                                                                        | Login Method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>                        | <ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; My Easi New (Token) Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; My Easi New (Token) Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>                        | <ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4) For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol> |
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP) | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

| Login type                                                         | Helpdesk details                                                                                                                                                                                                            |
|--------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911. |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000.                  |

➤ **Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders:

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID;
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID;
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

|                                              | <b>For Shareholders holding shares in Demat Form other than individual and Physical Form</b>                                                                                                                                                                                                                                         |
|----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PAN                                          | Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).<br><br>Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/ RTA. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.<br><br>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.                     |

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN of the "EVEREST KANTO CYLINDER LIMITED".
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Additional facility for Non – Individual Shareholders and Custodians –Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non-Individual shareholders are required mandatory to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at [akb111981@gmail.com](mailto:akb111981@gmail.com) and to the Company at [investors@ekc.in](mailto:investors@ekc.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**Instructions to Shareholders attending the 46th AGM through VC/OAVM & e-voting during Meeting are as under:**

1. The procedure for attending meeting & e-Voting on the day of the 46th AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend the AGM will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote again at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further, Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the AGM may register themselves as a 'Speaker' by sending their request in advance at least **7 days prior to the 46th AGM** mentioning their name, demat account number/folio number, email id, mobile number at [investors@ekc.in](mailto:investors@ekc.in). The Shareholders who do not wish to

speak during the 46th AGM but have queries may send their queries in advance **5 days prior to Meeting** mentioning their name, demat account number/folio number, email id, mobile number at [investors@ekc.in](mailto:investors@ekc.in). Queries received will be replied to by the Company suitably via email.

8. Those Shareholders who have registered themselves as a 'Speaker' will only be allowed to express their views/ask questions during the meeting.
9. Only those Shareholders, who are present at the 46th AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the 46th AGM.
10. If any Votes are cast by the Shareholder through the e-voting available during the 46th AGM and if the same Shareholder have not participated in the Meeting through VC/OAVM facility, then the votes cast by such Shareholders may be considered invalid as the facility of e-voting during the Meeting is available only to the shareholders attending the Meeting.

**Process for those Shareholders whose email/mobile no. are not registered with the Company/Depositories.**

1. **For Physical Shareholders** – please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. **For Demat Shareholders** – Please update your email id & mobile no. with your respective Depository Participant (DP).
3. **For Individual Demat Shareholders** – Please update your email id & mobile no. with your respective DP which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 21 09911.

**By the Order of the Board of Directors**

**Vishal Totla**  
Company Secretary & Compliance Officer  
ACS No. 26757

Place: Mumbai  
Date: May 23, 2025

**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  
Email: [investors@ekc.in](mailto:investors@ekc.in). Website: [www.everestkanto.com](http://www.everestkanto.com)

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

As required by Section 102 of the Companies Act, 2013 (Act), the following Explanatory Statement sets out all material facts relating to the businesses mentioned under Item Nos. 4 to 7 of the accompanying Notice dated May 23, 2025.

**ITEM NO. 4:**

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), however, the same is strictly not required as per Section 102 of the Act.

M/s. Aashish K. Bhatt & Associates, Practicing Company Secretaries (AKB) (ICSI Unique Code: S2008MH100200) is the Secretarial Auditor of the Company and the Board of Directors based on the recommendation of Audit Committee is reappointing them as such every year. In view of the recent amendments in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to appoint its Secretarial Auditors for a term of 5 consecutive years at the Annual General Meeting through Ordinary Resolution. Hence, the Directors at the Board Meeting held on May 23, 2025 based on the recommendation of Audit Committee appointed AKB as the Secretarial Auditor of the Company for a term of five consecutive years subject approval of Members at this meeting. The other terms and conditions of appointment is as under:

**Remuneration:**

₹ 7.20 lakhs per annum fees for secretarial audit and such other permitted services, plus applicable taxes.

**Reason for material change in the fees:**

No change in fees payable to the Secretarial Auditors.

**Basis of recommendation of appointment:**

The Audit Committee and the Board of Directors, while recommending the appointment of AKB as the Secretarial Auditor of the Company taken into consideration their long association, opinions/suggestions given by AKB from time-to-time on governance and review of their performance up to the satisfaction of the Directors.

In accordance with the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Audit and Auditors) Rules, 2014, as amended, and Regulation 24A of SEBI Listing Regulations, AKB have provided consent for their appointment as Secretarial Auditors and have confirmed and issued a certificate that, if appointed, their appointment will be in accordance with the limits specified under the Act and they meet the criteria for appointment as specified in SEBI Listing Regulations and they hold a valid Peer Review Certificate.

The Board commends the Resolution set out at Item No. 4 of the Notice for the approval by the Members.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or

interested, financially or otherwise, in the Resolution as set out at Item No. 4 of the accompanying Notice.

**ITEM NO. 5:**

Mr. Pushkar Khurana is a Chairman and Executive Director and one of the promoters of the Company. Mr. Pushkar Khurana is a Managing Director of EKC International FZE, Dubai a wholly owned subsidiary of the Company. He is a commerce graduate from Mumbai University with postgraduation in Business Management (MBA) from U.S.A. Recently he is graduated from the Owner President Management Program (OPM63) of Harvard Business School. Mr. Pushkar Khurana oversees International Business operation of the Company. Over the years, he has played an instrumental role in overall business development of the Company. He has a vast experience in the international and global markets.

Taking into consideration the skills, experience, knowledge, valuable contribution of Mr. Pushkar Khurana, based on his performance evaluation by Nomination and Remuneration Committee (NRC), the Board of Directors have at its Meeting held on May 23, 2025 reappointed him as Wholetime Director, liable to retire by rotation for a period of five years commencing from May 26, 2025, subject to approval of the Members at this AGM. Brief information of Mr. Pushkar Khurana is given in the Annexure to this Notice.

The terms and conditions of reappointment of Mr. Pushkar Khurana (hereinafter referred to as Executive Chairman) are as follows:

**1. Tenure of Reappointment:**

For a period of five years with effect from May 26, 2025.

**2. Nature of Duties:**

Executive Chairman will continue to oversee the International Business operations of the Company and devote his whole time and attention over there. He shall perform such duties as may be entrusted to him by the Board from time-to-time and exercise such powers as may be assigned to him, subject to the superintendence, control and direction of the Board in connection with and in the best interests of the global business of the Company through its overseas associate companies and/or subsidiaries.

**3. Remuneration:****(a) Basic Salary: Nil**

Mr. Pushkar Khurana is a Managing Director of EKC International FZE, Dubai a wholly owned subsidiary of the Company and drawing remuneration from there. Therefore, he has opted not to draw remuneration by way of salary from the Company.

**(b) Commission:**

Executive Chairman will be entitled to such remuneration by way of Commission, calculated with

reference to the net profits of the Company in a particular financial year, as may be determined by the Board of Directors of the Company based on the recommendation of NRC, subject to the overall ceilings stipulated in Section 197 of the Act as well as the SEBI Listing Regulations. The specific amount payable to the Executive Chairman will be based on his performance as evaluated by the Board or the NRC and approved by the Board and will be payable annually, after the Annual Accounts have been approved by the Board.

**4. Minimum Remuneration:**

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of tenure of Mr. Pushkar Khurana, the Company has no profits or its profits are inadequate he will not be entitled for any commission.

**5. Overall Remuneration:**

The aggregate of commission in any financial year shall not exceed the overall ceilings laid down in Sections 196, 197 and other applicable provisions, if any, of the Act read with Schedule V to the said act as may for the time being in force and the SEBI Listing Regulations.

**6. Other terms of Reappointment:**

- (i) The terms and conditions of the reappointment of Executive Chairman may be altered and varied from time-to-time by the Board as it may, in its discretion as deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and Executive Chairman, subject to such approvals as may be required.
- (ii) The appointment may be terminated by either party by giving to the other party six months' notice of such termination.
- (iii) The reappointment of the Executive Chairman may be terminated by the Company without notice or payment in lieu of notice:
  - (a) if he is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associate company to which he is required to render services;
  - (b) in the event of any serious repeated or continuing breach or non-observance by the him of any of the stipulations of the Company;
  - (c) in the event the Board expresses its loss of confidence in the him.
- (iv) In the event the he is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate his services on such terms as the Board may consider appropriate in the circumstances.
- (v) The terms and conditions of reappointment of the Executive Chairman also include clauses pertaining to adherence with the Company's Code of Conduct and

Ethics for Board of Directors and Senior Management Personnel, Intellectual Property, non-competition / conflict of interest with the Company, non-solicitation and maintenance of confidentiality.

In compliance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act, the terms of reappointment and remuneration of Mr. Pushkar Khurana as specified above are now being placed before the Members for their approval. The terms and conditions including remuneration as stated above in respect of reappointment of Mr. Pushkar Khurana may be treated as the abstract under Section 190 of the Act. The same shall be available for inspection by the members in electronic mode till the conclusion of the 46th AGM. The Members may write an email to [investors@ekc.in](mailto:investors@ekc.in) by mentioning 'Request of inspection' in the subject of the email.

The Board commends the Resolution set out at Item No. 5 of the Notice for the approval by the Members. All the promoters of the Company as well as the promoter group entities, Mr. Puneet Khurana, Managing Director and their relatives are interested in the Resolution to the extent of their holding in the Company.

None of the Other Directors, Key Managerial Personnel of the Company and their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution as set out at Item No. 5 of the accompanying Notice.

**ITEM NO. 6:**

The 2nd term of 5 consecutive years of Ms. Uma Acharya, Independent Director is up to May 25, 2025 and hence, she will cease to be a Director of the Company from May 26, 2025. Further, pursuant to Regulation 17(1)© of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, the Board of the Company shall comprise not less than 6 Directors. In view of this, your Directors had at the Board Meeting held on May 23, 2025 based on the recommendation of Nomination and Remuneration Committee (NRC), subject to approval of the Members at this AGM, identified, promoted and appointed Mr. Sanjiv Kapur (DIN: 07576794) as an Wholtime Director and Key Managerial Personnel, liable to retire by rotation, for a term commencing from May 26, 2025 up to the close of business hours on October 31, 2026.

Mr. Sanjiv Kapur is a Chartered Accountant from the Institute of Chartered Accountants of India. He has a vast experience of over 41 years in financial leadership across manufacturing industries, including [Textiles, Steel, Auto Ancillary, Industrial Products]. Adept at driving financial performance, leading corporate governance, and implementing strategic financial initiatives. Strong understanding of risk management, compliance, and board-level decision-making. He is working as Chief Financial Officer of the Company since 2018.

Considering his skills, experience, knowledge and association of Mr. Kapur in Managing the finances, legal issues other matters, process of the Company, your directors believe that it is beneficial for the future growth of the Company to avail services of Mr. Sanjiv Kapur as Wholtime Director, CFO and KMP of the Company on the terms and conditions and remuneration as mentioned below:

**1. Tenure of Appointment:**

For a period commencing from May 26, 2025 to October 31, 2026.

**2. Nature of Duties:**

Mr. Sanjiv Kapur will be responsible for the day-to-day operations of the Company relating to finance/banking. He shall perform such other duties as may be entrusted to him by the Board from time-to-time except those which are entrusted to MD and exercise such powers as may be assigned to him, subject to the superintendence, control and direction of the Board in connection with and in the best interests of the business of the Company.

**3. Remuneration:**
**(i) Basic Salary:**

₹ 2,17,284/- per month with an increment not exceeding 10% of total Cost to the Company (CTC), as may be decided by the Board based on the recommendations of the NRC and the Audit Committee, if required and considering the Company's performance. The annual increments will be effective as per the Performance Management Policy and Rules prevailing in the Company.

**(ii) Benefits, Perquisites, and Allowances:**

- (a) House Rent Allowance: House rent allowance aggregating 50% of Basic Salary per annum as per the policy of the Company;
- (b) Special Allowance: Special allowance in accordance with the rules of the Company;
- (c) Leaves: Privilege Leave as per rules of the Company;
- (d) Reimbursement of Motor car expenses in accordance with the rules of the Company;
- (e) Subject to the overall ceiling on remuneration mentioned herein above, he shall be entitled to any other allowances, benefits and perquisites as the Board of Directors on the recommendation of the NRC thereof may from time-to-time decide.

**Explanation:** Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in the absence of any such rules, perquisites shall be evaluated at actual cost.

**(iii) Commission:**

Mr. Sanjiv Kapur will not be entitled to such Commission that may be paid to other Executive Promoter Directors of the Company.

**4. Minimum Remuneration:**

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of tenure of Mr. Kapur, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, incentive remuneration, benefits, perquisites and allowances subject to such further approvals as may be required under the Act, as amended from time to time.

**5. Overall Remuneration:**

The aggregate of salary, allowances and perquisites in any financial year shall not exceed the overall ceilings laid down in Sections 196, 197 and other applicable provisions, if any, of the Act read with Schedule V to the said act as may for the time being in force. The current CTC of Mr. Kapur is ₹ 86.91 lakhs.

**6. Other terms of Appointment:**

- (a) The terms and conditions of the appointment of Mr. Kapur may be altered and varied from time-to-time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and Mr. Kapur, subject to such approvals as may be required.
- (b) The appointment may be terminated by either party by giving to the other party six months' notice of such termination or the Company paying six months' remuneration, which shall be limited to provisions of salary, benefits, perquisites, allowances in lieu of such notice.
- (c) The employment of Mr. Kapur may be terminated by the Company without notice or payment in lieu of notice:
  - If Mr. Kapur is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associate company to which he is required to render services;
  - In the event of any serious repeated or continuing breach or non-observance by Mr. Kapur of any of the stipulations of the Company;
  - In the event the Board expresses its loss of confidence in Mr. Kapur;
  - In the event Mr. Kapur is not able to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate his services on such terms as the Board may consider appropriate in the circumstances;
  - The terms and conditions of appointment of Mr. Kapur also include clauses pertaining to adherence with the Company's Code of Conduct and Ethics for Board of Directors and Senior Management Personnel, Intellectual Property, non-competition/conflict of interest with the Company, non-solicitation and maintenance of confidentiality.

In compliance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act, the terms of appointment and remuneration of Mr. Sanjiv Kapur as specified above are now being placed before the Members for their approval. The terms and conditions including remuneration as stated above in respect of appointment of Mr. Sanjiv Kapur may be treated as the abstract under Section 190 of the Act. The same shall be available for inspection by the

members in electronic mode till the conclusion of the 46th AGM. The Members may write an email to [investors@ekc.in](mailto:investors@ekc.in) by mentioning 'Request of inspection' in the subject of the email.

The Board commends the Resolution set out at Item No. 6 of the Notice for the approval by the Members.

Except Mr. Sanjiv Kapur and his relatives, none of the other Directors or Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the Resolution as set out at Item No. 6 of the accompanying Notice.

**ITEM NO. 7:**

Pursuant to Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to have the audit of its cost records for products covered under the aforesaid Rules conducted by a Cost Accountant in practice. Your Company is engaged in manufacturing of seamless gas Cylinders for which Cost Audit is applicable to the Company. The Board of Directors of the Company have, based on the recommendation of the Audit Committee, approved the re-appointment and remuneration of M/s. Shekar Joshi & Co., Cost Accountants (Membership Number 10700) as the Cost Auditors to conduct audit of the cost records maintained by the Company for the financial year ending March 31, 2026, at a remuneration of ₹ 2.50 lakhs plus applicable taxes. M/s. Shekar Joshi & Co., have furnished a certificate regarding their eligibility for appointment as Cost Auditor of the Company and confirmed that they are not disqualified under the provisions of Section 148(5) read with Sections 139 and 141(3) of the Act and their appointment would be within the limits prescribed under Section 141(3)(g) of the Act.

In accordance with the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, consent of the Members is being sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the year ending March 31, 2026.

The Board commends the Resolution at Item No. 7 of the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, financially or otherwise, in the Resolution as set out at Item No. 7 of the accompanying Notice.

**By the Order of the Board of Directors**

**Vishal Totla**  
Company Secretary & Compliance Officer  
ACS No. 26757

Place: Mumbai  
Date: May 23, 2025

**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  
Email: [investors@ekc.in](mailto:investors@ekc.in). Website: [www.everestkanto.com](http://www.everestkanto.com)

**Annexure II to the Notice**

**Details of the Directors seeking re-appointment at the Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard-2]**

|                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|----------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Name of the Director</b>                                                                              | Mr. Puneet Khurana                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Mr. Pushkar Khurana                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Director Identification Number</b>                                                                    | 00004074                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 00040489                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Brief resume</b>                                                                                      | Mr. Puneet Khurana has a vast experience of 31 years in the industry and manufacturing process. His achievements include exploiting international markets for the Company's CNG cylinders in Iran, Malaysia, Thailand & Bangladesh. He has been instrumental in developing business relations with OEMs like Bajaj Auto Limited, TATA Motors, Mahindra & Mahindra, Eicher for product development from the design stage to production. He has also been working with various gas companies in India like MGL / IGL / Adani Energy / Torrent etc. for providing solutions for CNG distribution. He has an expertise in Innovation, Research and Development in the field of cylinder and allied activities. | Mr. Pushkar Khurana is a commerce graduate from Mumbai University with postgraduation in Business Management (MBA) from U.S.A. Recently he has graduated from the Owner President Management Program (OPM63) of Harvard Business School. Mr. Pushkar Khurana oversees International Business operation of the Company. Over the years, he has played an instrumental role in overall business development of the Company. He has a vast experience in the international and global markets. |
| <b>Date of Birth</b>                                                                                     | December 12, 1973                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | July 17, 1972                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Age</b>                                                                                               | 52 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 53 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Nationality</b>                                                                                       | Indian                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Indian                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Date of first appointment on the Board</b>                                                            | November 14, 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | September 9, 1994 and designated as Executive Chairman w.e.f. November 14, 2019.                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Qualifications</b>                                                                                    | B.com; MBA in international business                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | B.com, MBA in Business Management, graduate from the Owner President Management Program (OPM63) of Harvard Business School                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Experience</b>                                                                                        | 31 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 31 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Expertise in specific functional area</b>                                                             | Business and manufacturing process as mentioned above                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Expertise in International Business Expansion and Diversification                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Terms and conditions of reappointment</b>                                                             | Terms of reappointment are as per the provisions of the Companies Act, 2013 read with Schedule V and SEBI Listing Regulations.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Terms of reappointment are as per the provisions of the Companies Act, 2013 read with Schedule V and SEBI Listing Regulations.                                                                                                                                                                                                                                                                                                                                                              |
| <b>Remuneration sought to be paid</b>                                                                    | Remuneration as approved by the Members at the 45th AGM.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Commission as per the provisions of the Companies Act, 2013.                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Remuneration last drawn</b>                                                                           | As mentioned in Directors' Report forming part of Annual Report 2025.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | As mentioned in Corporate Governance Report forming part of Annual Report 2025.                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Relationship with other Directors and Key Managerial Personnel of the Company</b>                     | Mr. Puneet Khurana is a promoter Director and Brother of Mr. Pushkar Khurana (Chairman and Executive Director).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Mr. Pushkar Khurana is a promoter Director and Brother of Mr. Puneet Khurana (Managing Director and KMP).                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Number of meetings of the Board attended during 2024-25</b>                                           | Held – 5<br>Attended - 5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Held – 5<br>Attended - 5                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Number of shares held in the Company (as on March 31, 2025)</b>                                       | 1,04,69,088 shares of ₹ 2 each (9.33%)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 1,02,39,973 shares of ₹ 2 each (9.13%)                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Directorship held in other public companies (excluding foreign companies and Section 8 companies)</b> | Calcutta Compressions & Liquefaction Engineering Limited;<br>Medical Engineers (India) Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Calcutta Compressions & Liquefaction Engineering Ltd                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Chairmanships/ Memberships of committees of the other companies</b>                                   | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

|                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Name of the Director</b>                                                                              | Mr. Sanjiv Kapur                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Director Identification Number</b>                                                                    | 07576794                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Brief resume</b>                                                                                      | Mr. Sanjiv Kapur is a Chartered Accountant from the Institute of Chartered Accountants of India. He has a vast experience of over 41 years in financial leadership across manufacturing industries, including [Textiles, Steel, Auto Ancillary, Industrial Products]. Adept at driving financial performance, leading corporate governance, and implementing strategic financial initiatives. Strong understanding of risk management, compliance, and board-level decision-making. |
| <b>Date of Birth</b>                                                                                     | October 30, 1960                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Age</b>                                                                                               | 65 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Nationality</b>                                                                                       | Indian                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Date of first appointment on the Board</b>                                                            | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Qualifications</b>                                                                                    | Chartered Accountant                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Experience</b>                                                                                        | 41 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Expertise in specific functional area</b>                                                             | Driving financial performance, leading corporate governance, and implementing strategic financial initiatives.                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Terms and conditions of re-appointment / appointment</b>                                              | Terms of reappointment are as per the provisions of the Companies Act, 2013 read with Schedule V and SEBI Listing Regulations.                                                                                                                                                                                                                                                                                                                                                      |
| <b>Remuneration sought to be paid</b>                                                                    | Salary                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Remuneration last drawn</b>                                                                           | 86.91 lakhs                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Relationship with other Directors and Key Managerial Personnel of the Company</b>                     | Mr. Sanjiv Kapur is not related to any other Directors and Key Managerial Personnel of the Company.                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Number of meetings of the Board attended during 2024-25</b>                                           | Held 5<br>Attended 5, as CFO of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Number of shares held in the Company (as on March 31, 2025)</b>                                       | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Directorship held in other public companies (excluding foreign companies and Section 8 companies)</b> | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Chairmanships/ Memberships of committees of the other companies</b>                                   | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

## DIRECTORS' REPORT

Dear Members,

Your Directors present the 46th Annual Report and the Audited Statement of Accounts for the financial year ended March 31, 2025.

### FINANCIAL RESULTS

The financial performance of the Company for the year ended March 31, 2025 is summarized below:

₹ in lakhs\*

| Particulars                                                                   | Standalone    |         | Consolidated    |          |
|-------------------------------------------------------------------------------|---------------|---------|-----------------|----------|
|                                                                               | 2024-25       | 2023-24 | 2024-25         | 2023-24  |
| Revenue from operations                                                       | <b>94,622</b> | 77,152  | <b>1,49,921</b> | 1,22,296 |
| Other income                                                                  | <b>1,391</b>  | 1,062   | <b>985</b>      | 671      |
| Total Income                                                                  | <b>96,013</b> | 78,214  | <b>1,50,906</b> | 1,22,967 |
| Profit before exceptional items and tax                                       | <b>8,071</b>  | 7,446   | <b>13,041</b>   | 12,034   |
| Profit before tax                                                             | <b>7,423</b>  | 7,229   | <b>12,393</b>   | 11,817   |
| Profit after tax                                                              | <b>5,330</b>  | 5,386   | <b>9,772</b>    | 9,760    |
| Total Comprehensive Income                                                    | <b>5,299</b>  | 5,384   | <b>11,297</b>   | 10,789   |
| Basic & Diluted Earnings per share Face Value of ₹ 2 (not annualised) (in ₹): | <b>4.75</b>   | 4.80    | <b>8.73</b>     | 8.84     |

\*All amounts disclosed have been rounded off to the nearest lakhs as per the requirement of Schedule III to the Companies Act, 2013 unless otherwise stated and as per the financial statements.

### PERFORMANCE REVIEW

Fiscal 2024-25 has been a year of strong growth and consistent execution for the Company. This performance was supported by healthy demand across both the domestic and international businesses, particularly in US. While realisations remained under pressure during the period under review, margin compression was limited and absolute profitability remained healthy on the back of strong topline growth. The Company was able to achieve profits similar to the last year.

On standalone basis, for the financial year 2024-25, revenue from operations stood higher at ₹ 94,622 lakhs as compared to ₹ 77,152 lakhs previous year. However, Net Profit for the financial year 2024-25 ₹ 5,330 lakhs was at par to ₹ 5,386 lakhs for financial year 2023-24 due to lower realization on account of competition and impairment of idle assets.

On consolidated basis, the Company has sold 10,55,854 units during financial year 2024-25 higher than 9,42,420 units sold in the previous year. Revenue for financial year 2024-25 was higher at ₹ 1,49,921 lakhs as compared to ₹ 1,22,296 lakhs previous year. However, the profit after tax from continuing operations ₹ 9,772 lakhs for financial year 2024-25 was at par to ₹ 9,760 lakhs for financial year 2023-24 due to impact faced by standalone.

### CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company and its subsidiaries for the year 2024-25 are prepared in compliance with the applicable provisions of the Companies Act, 2013 as amended (the Act) and as stipulated under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendments thereto (SEBI Listing Regulations),

as well as in accordance with the Indian Accounting Standards (IND AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended. Further, as per Section 129 of the Act and IND AS-27 on Separate Financial Statements and IND AS- 110 on Consolidated Financial Statements, the Audited Consolidated Financial Statements together with Auditors' Report thereon forms part of this Annual Report.

### DIVIDEND

Your Directors are pleased to recommend for approval of Members, a final dividend of ₹ 0.70 per equity share of face value of ₹ 2/- each (35%) for the year ended March 31, 2025. The dividend would result in a cash outflow of ₹ 785 Lakhs.

### DIVIDEND DISTRIBUTION POLICY

The Company has formulated Dividend Distribution Policy in accordance with Regulation 43A of the SEBI Listing Regulations for bringing transparency in the matter of declaration of dividend and to protect the interest of investors. The Dividend Distribution Policy is available on the website of the Company at the weblink: [EKC-Dividend-Distribution-Policy](#)

### TRANSFER TO RESERVES

During the year under review, the Company does not propose to transfer any amounts to General Reserve.

### DEPOSITS UNDER CHAPTER V OF COMPANIES ACT, 2013

The Company has neither accepted nor renewed any Deposits from the public within the ambit of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

## **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The particulars of loans given, guarantees provided and investments made, have been duly disclosed in the financial statements.

## **SHARE CAPITAL STRUCTURE**

The Paid-up Share Capital of the Company is ₹ 2,244 lakhs divided into 11,22,07,682 Equity Shares of ₹ 2/- each.

## **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There is no such event which may lead to material changes/commitments that would affect the financial position of the Company, between the period from the end of the financial year and the date of this report.

## **INTERNAL FINANCIAL CONTROL SYSTEM**

The Company has adequate internal financial control system (IFCs) to commensurate with the size, scale and complexity of its operations. The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the business and functions are systematically addressed through mitigation action on continuing basis. These are routinely tested and certified by Internal Auditors. The audit observations, if any, on internal financial controls are periodically reported to the Audit Committee for review. The Statutory Auditors' Report also includes their reporting on IFCs with reference to Financial Statements.

## **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

No such orders have been passed by any Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

## **DISCLOSURE, AS TO WHETHER MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SUB-SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013, IS REQUIRED BY THE COMPANY AND ACCORDINGLY SUCH ACCOUNTS AND RECORDS ARE MADE AND MAINTAINED**

Pursuant to Section 148(1) of the Act the Company has maintained cost records as specified by the Central Government.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report for the financial year 2024-25, as stipulated under Regulation 34(2)(e) read with Schedule V of LODR Regulations, is presented in a separate section forming part of the Annual Report.

## **CORPORATE GOVERNANCE**

Pursuant to Schedule V to the LODR Regulations, the Corporate Governance Report along with the Secretarial Auditors' Certificate thereon forms part of the Annual Report. The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

## **RISK MANAGEMENT**

Pursuant to Section 134(3)(n) of the Act and Regulation 21 of SEBI Listing Regulations, the Company has a Risk Management Committee (RMC) comprising Dr. Vaijayanti Pandit, Independent Director as Chairperson, Mr. Ramakrishnan Ramanathan, Independent Director and Mr. Puneet Khurana, Managing Director as Members. Consequent upon completion of the second term of 5 consecutive years as Independent Director on the Board of the Company, Mr. M. N. Sudhindra Rao ceased to be Chairman and Member of RMC with effect from June 3, 2024. The Directors at the Board Meeting held on May 24, 2024 appointed Dr. Vaijayanti Pandit as the Chairperson of RMC and Mr. Ramakrishnan Ramanathan as the Member of RMC with effect from June 3, 2024. The Risk Management Committee frame, implement and monitor the risk management plan of the Company and ensure its effectiveness. The Company has adopted a Risk Management Policy which lays down the framework to define, assess, monitor and mitigate the business, operational, financial and other risks associated with the business of the Company. The Risk Management Policy enables for growth of the Company by helping its business to identify risks, assess, evaluate and monitor risks continuously and undertake effective steps to manage these risks. The Directors at the Board Meeting held on May 23, 2025 based on the recommendation of the RMC reviewed and adopted the revised Risk Management Policy. During 2024-25, two Meetings were held on June 14, 2024 and November 19, 2024 wherein, the risks and relevant mitigation measures identified for the Company were reviewed and discussed. The gap between the meetings did not exceed 210 days.

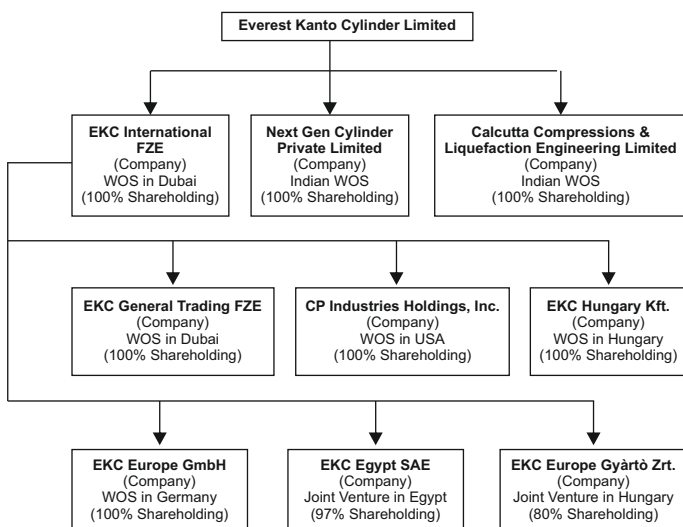
During the year, CARE Ratings in respect of the borrowings of the Company was as under:

| Facility                   | Amount<br>(₹ in crores) | Rating             |
|----------------------------|-------------------------|--------------------|
| Long Term Bank Facilities  | 144.00                  | Care BBB+ (Stable) |
| Short Term Bank Facilities | 46.00                   | Care A2            |
| <b>Total</b>               | <b>190.00</b>           |                    |

As on March 31, 2025, the Company has:

- (a) two Indian wholly owned subsidiaries (Calcutta Compressions & Liquefaction Engineering Limited (CCLE) and Next Gen Cylinder Private Limited) and one wholly owned overseas subsidiary [EKC International FZE (EKC FZE)] in Dubai, UAE; and
- (b) six stepdown overseas subsidiary companies (through EKC FZE), viz. EKC General Trading FZE, CP Industries Holdings, Inc. in USA, EKC Hungary Kft and EKC Europe Gyártó Zrt, in Hungary, EKC Europe GmbH in Germany and EKC Egypt SAE in Egypt.

**The current corporate structure is as under:**



During 2024-25, EKC FZE has acquired 100% shares of its stepdown subsidiary, CP Industries Holdings, Inc. (CPI) from its direct subsidiary EKC Hungary Kft., there by making CPI a direct subsidiary of EKC FZE. Further, the Directors of EKC FZE had approved capitalisation of loan along with interest given to CPI aggregating USD 2,84,48,755. EKC FZE has incorporated a subsidiary EKC General Trading FZE, in Dubai for its trading business. A statement containing details of performance and salient features of the financial statements of Subsidiary/ Associate/ Joint Venture companies, as per Section 129(3) of the Act, is provided in Form AOC I after the standalone financial

statements and therefore not repeated here. The Policy for determining material subsidiaries of the Company is uploaded on the Company's website at [EKC-Policy-on-Material-Subsidiary](#)

As on March 31, 2025 CCLE, the Indian wholly owned subsidiary is dormant with no business as well as no employees. EKC FZE, wholly owned subsidiary in Dubai and CPI, a stepdown wholly owned subsidiary in USA are material subsidiaries of the Company in terms of Regulation 16(c) of SEBI Listing Regulations. The audited financial statement including the consolidated financial statement of the Company and all other documents required to be attached thereto are available on the Company's website and can be accessed at <http://www.everestkanto.com> / investors / annualreports. The financial statements of the subsidiaries, as required, are available on the Company's website under sub-section 'subsidiaries' of Investors section.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMPs)

Consequent upon completion of the second term of five consecutive years of Mr. M. N. Sudhindra Rao as Independent Director, he ceased to be Director of the Company with effect from June 3, 2024. Mr. Ramakrishnan Ramanathan (DIN: 03394401) was therefore, appointed as Non-Executive, Independent Director on the Board of the Company for a term of five consecutive years with effect from June 3, 2024.

In accordance with the provisions of Section 152 of the Act, Mr. Puneet Khurana, Managing Director (DIN: 00004074) retire by rotation and being eligible offers himself for reappointment. The Board recommends his reappointment for the consideration of the Members of the Company at the ensuing Annual General Meeting (AGM) and forms part of the Notice.

Consequent upon demise of Mr. Premkumar Khurana, Mr. Pushkar Khurana (DIN: 00040489) was appointed as Executive Director and Chairman of the Company. Pursuant to the provisions of the Act, Schedule V to the Act and based on the recommendation of Nomination & Remuneration Committee (NRC), the Board recommends, the reappointment of Mr. Pushkar Khurana as Wholetime Director and Key Managerial Personnel (KMP) of the Company liable to retire by rotation for further period of 5 years commencing from May 26, 2025 on such terms and conditions set out in the Notice of 46th AGM. The approval of the Members through an Ordinary Resolution is being sought at the 46th AGM and forms part of the Notice.

The Members had at the 41st AGM reappointed Ms. Uma Acharya, Independent Director (DIN: 07165976) for the second term of 5 consecutive years with effect from May 26, 2020 up to the close of business hours on May 25, 2025. Consequent upon completion of her second term Ms. Uma Acharya will cease to be Director on the Board of the Company w.e.f. May 26, 2025. The Directors place on record their sincere appreciation of the valuable guidance and support given by Ms. Uma Acharya during her tenure on the Board.

Consequent upon completion of the second term of five consecutive years of Ms. Uma Acharya as Independent Director of the Company and in compliance of Regulation 17(1)(c) of SEBI

Listing Regulations, the Directors at the Board Meeting held on May 23, 2025 based on the recommendation of NRC, promoted Mr. Sanjiv Kapur, the Chief Financial Officer (CFO) by appointing him as a Wholetime Director on the Board of the Company with effect from May 26, 2025 for a term up to October 31, 2026, subject to approval of shareholders at the forthcoming AGM. Mr. Kapur shall continue to work as CFO and will be designated as Wholetime Director, CFO and KMP of the Company. In accordance with the provisions of Section 161(1) of the Act, Mr. Kapur hold office up to the date of the forthcoming AGM and is eligible for appointment as Wholetime Director of the Company. Notice under Section 160 of the Act have been received from member proposing the appointment of Mr. Kapur as Director of the Company. Ordinary Resolution seeking approval of the Members for appointment of Mr. Sanjiv Kapur (DIN: 07576794) as a Wholetime Director and KMP, including the terms of his appointment and his brief profile form part of the Notice of the 46th AGM of the Company.

The brief resume/details regarding the Directors proposed to be reappointed/appointed as above are furnished in the Notice of 46th AGM.

As on the date of this report, Mr. Pushkar Khurana, Chairman and Executive Director, Mr. Puneet Khurana, Managing Director, Mr. Sanjiv Kapur, Chief Financial Officer and Mr. Vishal Totla, Company Secretary & Compliance Officer are the Key Managerial Personnel of the Company in accordance with the provisions of Sections 2(51) and 203 of the Act.

#### **STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS**

As required under Section 149(7) of the Act, the Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as specified in Section 149(6) of the Act, as amended, read with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence and that they are independent of the Management. The Board of Directors of the Company have taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same.

The Board is of the opinion that the Independent Directors possess the requisite qualifications, experience, expertise and they hold high standards of integrity. The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and have also confirmed that their registration with the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs is in compliance with the requirements of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other

than sitting fees, commission, and reimbursement of expenses incurred by them for the purpose of attending Meetings of the Company.

#### **NUMBER OF MEETINGS OF THE BOARD**

During the year, five (5) Meetings of the Board of Directors were held, the details of which are given in the Corporate Governance Report forming part of Annual Report 2025. The intervening gap between any two Meetings of the Board was not more than one hundred and twenty (120) days as stipulated under the Act and SEBI Listing Regulations.

#### **COMMITTEE OF THE BOARD**

The Board of Directors have the following Committees:

1. Audit Committee
2. Nomination & Remuneration Committee (NRC)
3. Stakeholders' Relationship Committee (SRC)
4. Corporate Social Responsibility Committee (CSR)
5. Risk Management Committee (RMC)

The details of the Committees along with their composition, number of Meetings and attendance of the Members at the Committee Meetings are provided in the Corporate Governance Report, hence not repeated here.

#### **COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION**

In accordance with the provisions of the Section 178 of the Act read with the Rules made thereunder and Regulation 19 of the SEBI Listing Regulations, the Company has constituted NRC and has formulated "Nomination, Remuneration and Evaluation Policy" containing criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Act for selection of any Director, Key Managerial Personnel and Senior Management Employees. The said policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Board of Directors has approved Nomination, Remuneration and Evaluation Policy and the same is available at the Company's website under the web link EKC-Policy-Nomination-Remuneration-Evaluation. The details pertaining to composition of the NRC is included in the Corporate Governance Report forming part of this Annual Report.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Company's CSR Policy provides guidelines to conduct CSR activities of the Company, which can be accessed at the Company's website at the weblink: EKC-CSR-Policy. During 2024-25, your Company has undertaken some projects/programs as a part of CSR Initiative through implementing Agencies in accordance with the CSR Policy and spent ₹ 340 lakhs towards various CSR activities, in line with the requirements of Section 135 of the Act. The CSR Report for the Financial Year 2024-25 in prescribed form as per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules 2014, is enclosed as "Annexure I" to the Directors' Report and forms part of the Annual Report 2025.

## VIGIL MECHANISM/WHISTLE BLOWER

The Company has formulated and established a Vigil Mechanism named Whistle Blower Policy in accordance with the provisions of the Act and SEBI Listing Regulations to deal with the instances of fraud and mismanagement and to enable Directors and Employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct and to report incidents of leak or suspected leak of unpublished price sensitive information. The employees and other stakeholders have direct access to the Chairperson of the Audit Committee for lodging concerns, if any, for review. No person has been denied access to the Chairperson of the Audit Committee. The details of the same have been stated in the Report on Corporate Governance. The Whistle Blower Policy is available on the website of your Company at EKC-Whistle-Blower-Policy.

## TRANSACTIONS WITH RELATED PARTIES

All transactions entered by the Company during the financial year under review, with related parties were on arm's length basis and in the ordinary course of business and hence not falling under the ambit of Section 188 of the Act. All Related Party Transactions (RPTs) are mentioned in the Notes to accounts which sets out related party disclosures. As required under Section 134(3)(h) of the Act, Form No. AOC-2 for 2024-25 is annexed to this report as 'Annexure II'. During the year 2024-25, pursuant to Section 177 of the Act and Regulation 23 of SEBI Listing Regulations, all RPTs were placed before the Audit Committee for its approval. Prior omnibus approval of Audit Committee was obtained for the transactions which were of repetitive nature and in the ordinary course of business. The Policy on materiality of RPTs and also on dealing with RPTs framed under the LODR Regulations is available on Company's website and web link thereto is EKC-Related-Party-Transaction-Policy.

## ANNUAL EVALUATION

The NRC has approved a framework/policy for performance evaluation of the Board, Committees of the Board and the individual members of the Board (including the Chairperson) which includes criteria for performance evaluation, which is reviewed annually by the Committee. A questionnaire for the evaluation of the Board, its committees and the individual members of the Board (including the Chairperson), designed in accordance with the said framework and covering various aspects of the performance of the Board and its Committees, including composition and quality, roles and responsibilities, processes and functioning, adherence to Code of Conduct and Ethics and best practices in Corporate Governance as mentioned in the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017 was circulated to the Directors. Pursuant to the provisions of the Act and LODR Regulations and based on policy devised by the NRC, the board has carried out annual evaluation of its own performance, its committees and individual directors. The Board performance was evaluated on inputs received from all the Directors after considering criteria as mentioned aforesaid. The performance of the committees was

evaluated by the Board of Directors on inputs received from all committee members after considering criteria as mentioned aforesaid. Pursuant to LODR Regulations, performance evaluation of independent director was done by the entire board, excluding the independent director being evaluated. The performance evaluation of non-independent Directors and the Board as a whole and Chairman of the Board was carried out by the Independent Directors of the Company through separate meeting on March 19, 2025. Accordingly, the outcome/feedback received from Directors was shared with NRC/Board.

## COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD - 1 (SS-1) AND SECRETARIAL STANDARD - 2 (SS-2)

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively. The Company has complied with SS-1 and SS-2.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of sub-section 3 and 5 of Section 134 of the Act, your Company's Directors, based on the framework for internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors, the reviews performed by the Audit Committee and representations received from the Management, are of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2024-25. The Board of Directors, based on the assurance given of the business operations, to the best of their knowledge and ability, confirm that:

- (i) in the preparation of the annual accounts for the year ended March 31, 2025, the applicable accounting standards have been followed and there are no material deviations;
- (ii) the Directors in consultation with the Statutory Auditors selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2025 and of the profit of the Company for the period ended on that date;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the annual accounts on a going concern basis;
- (v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (vi) the Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## AUDITORS AND AUDIT REPORT

### (a) Statutory Auditors

At the 44th AGM held on September 22, 2023 the Members, consequent upon the expiry of the term of the former auditors of the Company, Walker Chandio & Co LLP, Chartered Accountants, appointed Suresh Surana & Associates LLP, (SSA), Chartered Accountants (Firm Registration No. 121750W/W100010) as Statutory Auditors for a term of five years from the conclusion of 44th AGM till the conclusion of 49th AGM of the Company to be held in the year 2028, to examine and audit the accounts of the Company for financial years between 2023-24 to 2027-28 (both inclusive) at a remuneration of ₹ 35 Lakhs per annum, plus applicable taxes and out-of-pocket expenses, if any incurred in connection with the Audit, as mutually agreed upon between the Board of Directors of the Company and SSA. There are no qualifications, adverse remarks, reservations or disclaimer made by SSA, Statutory Auditors, in their report for the financial year ended March 31, 2025.

### (b) Cost Auditors

As per the requirement of Central Government and pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, your Company carries out an audit of cost records maintained by it. The Board of Directors, on recommendation of Audit Committee, appointed M/s. Shekhar Joshi & Co., Cost Accountants (Membership No. M/10700) as Cost Auditors of the Company for the Financial Year 2024-25 and they have been reappointed as Cost Auditors of the Company for 2025-26. In terms of the provisions of Section 148(3) of the Act read with the Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, approval of the Members is being sought for ratification of their remuneration for 2025-26 at the ensuing AGM.

### (c) Secretarial Auditors

The Board of Directors had reappointed M/s. Aashish K. Bhatt & Associates, Practicing Company Secretaries, having membership no. 19639 as the Secretarial Auditor under Section 204 of the Act for conducting Secretarial Audit for the financial year 2024-25. The Report of the Secretarial Auditor in prescribed Form MR-3 is annexed to the Directors Report as "Annexure III" and does not contain any qualification, reservation or adverse remarks.

The Directors at the Board Meeting held on May 23, 2025 pursuant to Regulation 24A of SEBI Listing Regulations, based on the recommendation of Audit Committee of the Company and subject to approval of the Members at the ensuing AGM, appointed M/s. Aashish K. Bhatt & Associates as the Secretarial Auditor for a term of five years to examine and audit the secretarial records of the Company and provide other allied certification/permitted services for financial years from 2025-26 to 2029-30 at a remuneration of ₹ 7.20 lakhs per annum, plus applicable taxes, as mutually agreed upon between the Board of Directors of the Company and M/s. Aashish K. Bhatt & Associates.

### (d) Branch Auditors

M/s. Arun Arora & Co., Chartered Accountants are the Branch Auditors of the Company for financial year 2024-25. There is no qualification, reservation or adverse remark made by them.

## DETAILS OF FRAUD REPORTED BY AUDITORS

There were no frauds reported by the Auditors under provisions of Section 143(12) of the Act and the Rules made thereunder.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134(3)(m) of the Act, are provided in "Annexure IV" to this Report.

## ANNUAL RETURN

Pursuant to Sections 92(3) and 134(3)(a) of the Act, the Annual Return of the Company for 2024-25 would be placed on the website of the Company and can be accessed at <https://everestkanto.com/annual-return/>.

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34(2) of SEBI Listing Regulations, as amended, the Business Responsibility and Sustainability Report (BRSR) describing the initiatives taken by the Company from an environmental, social and governance perspective is annexed as "Annexure V" and forms an integral part of this Report and is also uploaded Company's website and can be accessed at <https://everestkanto.com/investors/annual-reports/>.

## ENVIRONMENT AND SAFETY

Your Company is conscious of the importance of environmentally clean and safe operations and therefore, endeavours that the conduct of all operations is in such manner to ensure safety of all and compliance of statutory and industrial requirements for environment protection and conservation of natural resources to the extent possible.

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, a statement showing the names of top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules forms part of this Report. Disclosures relating to remuneration and other details as required under Section 197(12)

of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended forms part of this Report. The said information is available for inspection on all working days, during business hours, at the Registered Office of the Company up to the date of AGM. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request. Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**(a) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2024-25:**

| Name of the Directors         | Designation                     | Remuneration of Directors (₹ in lakhs) | Median remuneration of employees (₹ in lakhs) | Ratio of median remuneration |
|-------------------------------|---------------------------------|----------------------------------------|-----------------------------------------------|------------------------------|
| Mr. Pushkar Khurana*          | Chairman and Executive Director | 50                                     | 3                                             | 17                           |
| Mr. Puneet Khurana#           | Managing Director               | 324                                    | 3                                             | 91                           |
| Mr. Ghanshyam Karkera@        | Independent Director            | 13                                     | 3                                             | 4                            |
| Mr. Sudhindra Rao^            |                                 | 2                                      | 3                                             | 1                            |
| Dr. Vijayanti Pandit@         |                                 | 10                                     | 3                                             | 3                            |
| Ms. Uma Acharya @             |                                 | 13                                     | 3                                             | 4                            |
| Mr. Ramakrishnan Ramanathan^^ |                                 | 10                                     | 3                                             | 3                            |

\* Commission of ₹ 50 lakhs payable to Mr. Pushkar Khurana, Executive Chairman of the Company for FY 2024-25.

# Comprises commission of ₹ 50 lakhs payable to Mr. Puneet Khurana, Managing Director of the Company for F.Y. 2024-25.

@ Remuneration comprises sitting fees for attending the Meetings of the Board of Directors and of the Committees thereof and commission of ₹ 5 lakhs payable to each Independent Directors for F.Y. 2024-25.

^ Sitting Fees and Commission paid is on prorated basis up to the date of holding of office of Director.

^^ Sitting Fees and Commission paid is on prorated basis from the date of appointment.

**(b) Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year 2024-25:**

| Name of the Directors                                 | Designation                     | % increase in remuneration in financial year |
|-------------------------------------------------------|---------------------------------|----------------------------------------------|
| Executive Directors                                   |                                 |                                              |
| Mr. Pushkar Khurana                                   | Chairman and Executive Director | NA                                           |
| Mr. Puneet Khurana                                    | Managing Director               | 20%                                          |
| Non-Executive Independent Directors                   |                                 |                                              |
| Mr. Ghanshyam Karkera                                 | Independent Director            | Nil                                          |
| Ms. Uma Acharya                                       |                                 | 2.29%                                        |
| Dr. Vijayanti Pandit                                  |                                 | 2.97%                                        |
| Mr. Ramakrishnan Ramanathan                           |                                 | NA                                           |
| Key Managerial Personnel other than Managing Director |                                 |                                              |
| Mr. Sanjiv Kapur                                      | Chief Financial Officer         | 10%                                          |
| Mr. Vishal Totla                                      | Company Secretary               | 10%                                          |

**(c) Percentage increase in the median remuneration of employees in the financial year 2024-25: 5%.**

**(d) Number of permanent employees on the rolls of Company: 756.**

**(e) Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average percentile increases in the salaries of employees other than the managerial personnel in the financial year 2024-25 is at 10% whereas the percentile increase in the managerial remuneration during the year is Nil.

**(f) Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirms that the remuneration is as per the Remuneration policy of the Company.

**(g) Name of top 10 employee of Company, who were employed for part of year, was in receipt of remuneration for that period which, in the aggregate, was not less than eight lakhs fifty thousand rupees per month: NA**

- (i) Name of employee of Company, who employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.
- (ii) If employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month.
- (iii) If the employed throughout the financial year or part thereof, was in receipt of remuneration in that year

which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

The details are mentioned in the table no. (i) Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- (h) **The particulars of employees posted and working in a country outside India, not being directors or their relatives, drawing more than sixty lakh rupees per financial year or five lakh rupees per month, as the case may be, as may be decided by the Board:** NA.

**Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

- (i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than eight lakhs fifty thousand rupees per month - NA.

**Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

- (ii) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees.

| Name of the Employee | Designation of the employee | Remuneration received (₹ in lakhs) | Nature of employment, whether contractual or otherwise | Qualifications and experience of the employee | Date of Commencement of employment | The age of such employee | The last employment held by such employee before joining the company | The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub-rule (2) | Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager |
|----------------------|-----------------------------|------------------------------------|--------------------------------------------------------|-----------------------------------------------|------------------------------------|--------------------------|----------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| Mr. Puneet Khurana   | Managing Director           | 324                                | Fulltime                                               | B.Com, MBA, international business            | 14-11-2019                         | 52                       | NA                                                                   | 9.33%                                                                                                                  | Mr. Pushkar Khurana, Chairman and Executive Director                                                                          |

**LISTING OF SECURITIES**

The Equity shares of the Company are listed on the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited.

**DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL)**

The Company is committed and dedicated in providing a healthy and harassment free work environment to every individual of the Company, a work environment that does not tolerate sexual harassment. The Company highly respect dignity of everyone

involved at our work place, whether they are employees, suppliers or our customers. It requires all employees to strictly maintain mutual respect and positive attitude towards each other. The policy is available on the Company's website and the web link thereto is EKC-Policy-on-prevention of Sexual-Harassment-at-work-place. The Company has complied with provisions relating to the constitution of Prevention of Sexual Harassment of Women at Workplace Committee (Internal Complaints Committee), under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Consequent upon resignation of Ms. Shubhangi Shinde, the Directors at the Board Meeting held on February 12, 2025 reconstituted the Internal Complaints Committee by appointing Ms. Vandana Rupwate, Senior Executive, Marketing as Chairperson, Ms. Farida Lambay,

Cofounder of Pratham, as External Member from a Non-Government Organisation and Mr. Vishal Totla Company Secretary and Compliance Officer as Member of the Committee. The said Committee looks after all the locations of the Company viz. Mumbai, Tarapur and Kandla factories of the Company.

Number of complaints pending as on the beginning of the financial year – Nil.

Number of complaints filed during the financial year- Nil.

Number of complaints pending at the end of the financial year- Nil.

#### **Proceeding under Insolvency and Bankruptcy Code, 2016**

There are no proceedings, either filed by the Company or against the Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before the National Company Law Tribunal or other Courts as on March 31, 2025.

#### **Other Disclosures**

During the year, there were no transactions requiring disclosure or reporting in respect of matters relating to:

- (a) issue of equity shares with differential voting rights as to dividend, voting or otherwise;
- (b) issue of shares (including sweat equity shares) to employees of the Company under any scheme;

- (c) raising of funds through preferential allotment or qualified institutional placement;
- (d) instance of one-time settlement with any bank or financial institution.

#### **ACKNOWLEDGEMENT AND APPRECIATION**

The Board of Directors express their appreciation for the assistance, support and co-operation received from the Banks, Government Authorities, Customers, Vendors and Members during the year under review. The Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company globally.

#### **For and on behalf of the Board**

##### **Pushkar Khurana**

Chairman & Executive Director  
DIN: 00040489

Dubai  
May 23, 2025

**ANNUAL CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES REPORT**  
**Annexure to the Report of the Board of Directors for the Financial Year Ended March 31, 2025**

Everest Kanto Cylinder Limited (the Company) positively appreciates the decision taken by the Government of India with respect to CSR towards the Society at large. Legal framework of CSR is an edge to Corporate Charitable/Reformative approach towards the Society to which the Corporate belongs. As per the said policy, all our efforts are focused towards two goals: to be a responsible and dynamic enterprise towards the well-being of society and create a value worthwhile for all the stakeholders of our Company. Our approach is to interweave social responsibility into the Company's mainstream business functions through translating commitments into policies, which not only drives all employees but influence and mobilize stakeholders, especially partners and suppliers, to embrace responsible business practices in their respective spheres of action.

**ANNUAL REPORT ON CSR ACTIVITIES:**

**1. A brief outline of the Company's CSR policy of the Company:**

The policy affirms business objectives and strategy along with commitment of the Company to preserve natural resources and augment the growth and development of employees and their families, the communities the Company operates in, suppliers/vendors, and investors of the Company. Through the social policy manual, the Company seeks to engage with all the stakeholders, using it as a reference or guideline for all stakeholders and practitioners.

**2. The Composition of the CSR Committee:**

In accordance with the provisions of Section 135 of the Companies Act, 2013, the Board of Directors of the Company has constituted a CSR Committee. The Composition of CSR Committee is as under:

| Sr. No. | Name of the Director       | Designation / Nature of Directorship     | Number of Meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|----------------------------|------------------------------------------|----------------------------------------------------------|--------------------------------------------------------------|
| 1.      | Ms. Uma Acharya            | Chairperson - Non-Executive, Independent | 3                                                        | 3                                                            |
| 2.      | Mr. Puneet Khurana         | Member - Promoter, Executive             | 3                                                        | 1                                                            |
| 3.      | Mr. Pushkar Khurana        | Member - Promoter, Executive             | 3                                                        | 0                                                            |
| 4.      | Dr. Vaijayanti Ajit Pandit | Member - Non-Executive, Independent      | 3                                                        | 3                                                            |

**3. Web-link where composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company are as under:**

- CSR Committee Composition : EKCL-Committees-of-the-board;
- CSR Policy : EKC-CSR-Policy;
- CSR Projects programmes undertaken by the Company : [Summary of CSR Proposal2024-25.xlsx](#)

**4. Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):** Not Applicable.

- 5.**
- (a) Average net profit of the Company as per Section 135(5): ₹ 16,983 lakhs.
  - (b) Two percent of average net profit of the Company as per Section 135(5): ₹ 340 lakhs.
  - (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil\*.
  - (d) Amount required to be set-off for the financial year, if any: ₹ Nil\*.
  - (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 340 lakhs.
- 6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** ₹ 340 lakhs (including excess of last year) were spent on projects other than ongoing projects as on March 31, 2025. No ongoing projects were under taken by the Company.

\*Balance below rounding off norms.

- (b) Amount spent in administrative overheads: Nil.
- (c) Amount spent on Impact Assessment, if applicable: Nil.
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 340 lakhs.
- (e) CSR amount spent or unspent for the Financial Year: Nil.
- (f) Excess amount for set off, if any: Nil\*.

| Sl. No. | Particular                                                                                                   | Amount (₹ in lakhs) |
|---------|--------------------------------------------------------------------------------------------------------------|---------------------|
| (i)     | Two percent of average net profit of the company as per Section 135(5)                                       | 340                 |
| (ii)    | Total amount spent for the Financial Year (including excess of last year)                                    | 340                 |
| (iii)   | Excess amount spent for the financial year [(ii)-(i)]*                                                       | -*                  |
| (iv)    | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any* | -*                  |
| (v)     | Amount available for set off in succeeding financial years [(iii)-(iv)]*                                     | -*                  |

\*Balance below rounding off norms.

**7. Details of Unspent CSR amount for the preceding three financial years:**

| Sl. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135(6) (₹ in lakhs) | Balance Amount in Unspent CSR Account under Section 135(6) (₹ in lakhs) | Amount Spent in the Financial Year (₹ in lakhs) | Amount transferred to a Fund as specified under Schedule VII as per second proviso of section 135(5), if any |                  | Amount remaining to be spent in succeeding Financial Years (₹ in lakhs) | Deficiency, if any |
|---------|--------------------------|-----------------------------------------------------------------------------|-------------------------------------------------------------------------|-------------------------------------------------|--------------------------------------------------------------------------------------------------------------|------------------|-------------------------------------------------------------------------|--------------------|
|         |                          |                                                                             |                                                                         |                                                 | Amount (₹ in lakhs)                                                                                          | Date of transfer |                                                                         |                    |
| 1.      | 2023-24                  | Nil                                                                         |                                                                         |                                                 |                                                                                                              |                  |                                                                         |                    |
| 2.      | 2022-23                  |                                                                             |                                                                         |                                                 |                                                                                                              |                  |                                                                         |                    |
| 3.      | 2021-22                  |                                                                             |                                                                         |                                                 |                                                                                                              |                  |                                                                         |                    |

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No**

If yes, enter the number of Capital assets created/acquired: NotApplicable.

Details relating to such asset(s) so created or acquired through CSR amount spent in the Financial Year: NotApplicable.

| Sl. No. | Short particulars of the property or asset(s) [including complete address and location of the property] | Pin code of the Property or asset(s) | Date of creation | Amount of CSR amount spent | Details of entity / Authority / beneficiary of the registered owner |      |                    |  |
|---------|---------------------------------------------------------------------------------------------------------|--------------------------------------|------------------|----------------------------|---------------------------------------------------------------------|------|--------------------|--|
|         |                                                                                                         |                                      |                  |                            | CSR Registration Number, if applicable                              | Name | Registered Address |  |
| Nil     |                                                                                                         |                                      |                  |                            |                                                                     |      |                    |  |

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/Gram panchayat are to be specified and also the area of the immovable property as well as boundaries).

**9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5): Not applicable.**

**For and on behalf of the Board**

**Date:** May 23, 2025  
**Place:** Mumbai

**Uma Acharya**  
Chairperson of CSR Committee

**Puneet Khurana**  
Managing Director

**FORM NO. AOC-2**

**ANNEXURE II**

*[Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]*

**Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.**

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

The Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2024-25.

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

- (a) Name(s) of the related party and nature of relationship  
Refer Note No. 46(I) of the standalone financial statements for the year ended March 31, 2025.
- (b) Nature of contracts/arrangements/transactions  
Refer Note No. 46(ii) of the standalone financial statements for the year ended March 31, 2025.

- (c) Duration of the contracts/arrangements/transactions:  
Ongoing transactions.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:  
The Company manufacture and supply seamless Cylinders and its relevant parts. For value of transactions, Refer Note No. 46 of the standalone financial statements for the year ended March 31, 2025.
- (e) Date(s) of approval by the Board, if any:  
Not Applicable, since the transactions are in the ordinary course of business and on arm's length basis.
- (f) Amount paid as advances, if any: Nil

**On behalf of the Board of Directors**

**Pushkar Khurana**  
Chairman

Dubai, May 23, 2025

**FORM NO. MR-3**

**ANNEXURE III**

**SECRETARIAL AUDIT REPORT  
For the Financial Year Ended March 31, 2025**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
**The Members,**  
**Everest Kanto Cylinder Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Everest Kanto Cylinder Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on the verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025 complied with the statutory provisions listed hereunder and also that the Company has followed proper Board - processes and have required compliance – mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025, according to the provisions of:

- (i) The Companies Act, 2013 (the 'Act') and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investments. No External Commercial Borrowings were applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not applicable;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - Not Applicable;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - Not Applicable;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client - Not applicable;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not applicable; and
- (h) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 - Not applicable.

Based on the compliance mechanism established by the Company, which has been verified on test-check basis and the Compliance Report submitted to and taken on record by the Board of Directors of the Company, we are of the opinion that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I have also examined compliance with applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of the Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015).

During the financial year under review, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines, Standards etc. mentioned above.

I further report, I have relied on necessary disclosure(s) from Directors / KMPs and on confirmation received from the Company, about no specific applicable laws to the industry where Company operates, however general compliance system prevails in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with them.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Independent Directors. Further, the changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance including shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views were expressed.

Based on the representation made by the Company and relied upon, I further report that there are adequate systems and processes in the company commensurate with its size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the Company has undertaken event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz:

- (i) Declaration and payment of final dividend for the Financial Year 2023-24;
- (ii) Retirement of Mr. Maganti Narayanarao Sudhindra as Independent Director of the Company w.e.f. June 03, 2024;
- (iii) Payment of profit related commission to Executive and Non-Executive Independent Directors for F.Y. 2023-24;
- (iv) Re-appointment of Mr. Puneet Khurana as Managing Director of the Company for a further period of 5 years and increase in his remuneration;
- (v) Appointment and Re-appointment of Independent Directors;
- (vi) Re-constitution of various committees.

**For Aashish K. Bhatt & Associates**  
Practicing Company Secretaries  
(ICSI Unique Code S2008MH100200)

**Aashish K. Bhatt**  
Proprietor  
ACS No.: 19639  
COP No.: 7023

Place: Mumbai UDIN: A019639G000422404  
Date: 23.05.2025 Peer Review Cert. No.: 2959/2023

This Report is to be read with our letter annexed as Appendix A, which forms integral part of this report.

#### **APPENDIX A**

To,  
The Members,

**Everest Kanto Cylinder Limited**

My report of even date is to be read along with this letter.

1. The responsibility of maintaining Secretarial record is of the management and based on my audit, I have expressed my opinion on these records.
2. I am of the opinion that the audit practices and process adopted to obtain assurance about the correctness of the secretarial records were reasonable for verification on test check basis.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. The management is responsible for compliances with corporate and other applicable laws, rules, regulations, standards etc. My examination was limited to the verification of procedure on test basis and wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations etc.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Aashish K. Bhatt & Associates**  
Practicing Company Secretaries  
(ICSI Unique Code S2008MH100200)

**Aashish K. Bhatt**  
Proprietor  
ACS No.: 19639  
COP No.: 7023

Place: Mumbai UDIN: A019639G000422404  
Date: 23.05.2025 Peer Review Cert. No.: 2959/2023

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE AND OUTGO:**
**ANNEXURE IV**
**I. Conservation of Energy:**

Information pursuant to Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption:

**1. The steps taken and impact on conservation of energy and steps taken by the Company for utilizing alternate sources of energy:**

The Company considers it as a responsibility to reduce its carbon footprint in all possible areas of operations. As a responsible corporate citizen, the Company is taking all possible measures to achieve efficiency in energy utilization, water utilization, technology induction at all its plants, such as:

- (i) Sewage Treatment Plant (STP) with capacity of 50 Kilolitre (KL) per day has installed, 500 KL Water monthly is being reused with through this STP Plant.
- (ii) Foot ring Fitment with gas heating is converted into Electrical induction Heating in order to stop the gas usage.
- (iii) Use of LED lights in place of sodium vapour lamps, metal halide lamps and florescent lamps on the plant sheds, street lights and in Admin building is continuously resulting in saving in consumption of power.
- (iv) Installation of the Plazma tube cutting machine has reduced the cost of cutting tools as well as improved the productivity.
- (v) The new screw compressor is economical and power saving machine. Similarly, the High-Pressure Ait booster installed at the plants are also resulting into reduction in electrical consumption.
- (vi) Installation of new stamping Machine has increased the rate of production and reduced noise pollution.
- (vii) The Company is using thermal energy by use of alternate fuels, improvements in fuel burners, minimizing heat losses by improved insulation, etc.
- (viii) The Company is using closed loop liquid to Air Heat Exchangers instead of cooling towers for heat dissipation.
- (ix) The Company uses the waste energy in terms of air pressure being released at the end of Pneumatic Leak Testing, to fill the cylinders under test with this Hydraulic Booster compressor.
- (x) Replacement of new HST machines has resulted in reduction of power consumption to 50% approx. as compared to the old machines.

**2. Impact of measures on reduction of energy consumption and consequent impact on the cost of production of goods:**

The Company continues to draw to benefits by conserving energy through its wind power projects. The Company had undertaken Wind farm projects at Kandla in the state of Gujarat, the brief details of which are given in the following table:

| Place of Installation | No. of Wind-mills installed | Energy Generation Capacity | Investment (₹ in lakhs) | Energy Generated during the year | Energy Generated during previous year |
|-----------------------|-----------------------------|----------------------------|-------------------------|----------------------------------|---------------------------------------|
| Kandla, Gujarat       | 1                           | 1.650 MW                   | 1,125.00                | 17,20,895 units                  | 19,45,388 units                       |

The wind farm project as mentioned above have been undertaken in the State of Gujarat, where the Company is having its own manufacturing facility. Considering the present power policy of Governments, the Company has directly benefited in terms of captive consumption of energy generated by aforesaid wind farm.

**3. Details of energy consumption are given below. These details cover the operations of the Company's factories at Tarapur, Kasez and Ratadiya:**

| Particulars                                    | Current Year   | Previous Year |
|------------------------------------------------|----------------|---------------|
| <b>(A) Power and Fuel consumption:</b>         |                |               |
| a. Electricity purchased                       |                |               |
| Units (kwh in lakhs)                           | <b>316.00</b>  | 257.08        |
| Total Amount (₹ in lakhs)                      | <b>2990.25</b> | 2416.29       |
| Rate per Unit (₹)                              | <b>9.46</b>    | 9.40          |
| b. Oxygen purchased                            |                |               |
| Units (Cu.M. in lakhs)                         | <b>11.30</b>   | 8.45          |
| Total Amount (₹ in lakhs)                      | <b>146.01</b>  | 110.12        |
| Rate per Cu.M. (₹)                             | <b>12.93</b>   | 13.04         |
| c. Natural Gas                                 |                |               |
| Units (Cu.M. in lakhs)                         | <b>17.05</b>   | 15.57         |
| Total Amount (₹ in lakhs)                      | <b>852.12</b>  | 850.05        |
| Rate per Cu.M. (₹)                             | <b>49.97</b>   | 54.58         |
| d. LPG purchased                               |                |               |
| Units (Kg. in lakhs)                           | <b>32.90</b>   | 27.72         |
| Total Amount (₹ in lakhs)                      | <b>1892.61</b> | 1517.08       |
| Rate per Kg. (₹)                               | <b>57.53</b>   | 54.72         |
| <b>(B) Consumption per unit of production:</b> |                |               |
| i. Electricity (kwh / MT)                      | <b>673.72</b>  | 635.16        |
| ii. Oxygen (Cu.M / MT)                         | <b>24.08</b>   | 20.87         |
| iii. Natural Gas (Ltr. / MT)                   | <b>36.36</b>   | 38.48         |
| iv. LPG (Kg. / MT)                             | <b>70.14</b>   | 68.50         |

**(4) The Capital investment on energy conservation equipment's:**

Till 2024-25 the Company has invested ₹ 250 lakhs on conservation equipment.

**II. Technology Absorption, Adaptation and Innovation:**

**(1) Efforts made towards technology absorption:**

Innovation is one of the key factors enabling EKC to achieve and maintain its position in the area of high-pressure gas cylinders manufacturing. This, aided by the infusion of latest technology, proper training of manpower to handle latest equipment and processes, ensures prompt reciprocation to customer requirement to their satisfaction. This has further enabled the Company to meet the requirements of Aerospace sector, Defence sector to entire satisfaction of end user.

**(2) Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, imports substitution, etc. and in case imported technology (imported during last five years reckoned from the beginning of the financial year):**

- (a) Complete process was developed to manufacture newer models of Jumbo cylinders from High Alloy High Strength Steel pipes, without any technical collaboration or help from other company. This major step has made EKC the only manufacturer in India to make these High Alloy High Strength Jumbo Cylinders from tubes. It has opened up new markets which were hitherto inaccessible. It has also ensured management's support to Make in India initiative of the government.
- (b) Use of latest PLC version with modified logic on Internal Shot Blasting Machine has helped us to reduce cycle time and increase the productivity.
- (c) Harmonics filters have been installed at several points due to which harmonics in powers as well as electronics card damage has been reduced, heating issue of transformers and unbalancing of motors became less and motors heating issue has been resolved to some extent.
- (d) New wiring of spinning line-3 was done. Now, all cable routes were taken overhead as to reduce damage of cable. After that breakdown became negligible and production increased.
- (e) Change in PLC programming of neck drilling machines has resulted in reducing the damage of drill bit.
- (f) Installation of new external shot blasting machine in UCL line has resulted in reducing cycle time and rework.
- (g) Conveyors interlocking programming was developed to stop its working when machine was not operated.

- (h) Company is using Open Type Bus Bars of EOT Crane with Safe Duct Closed Type Bus Bars to improvise on safety requirements.
- (i) The Company is using pressure transmitter on air leakage test and cyclic testing machine, to eliminate the risk of increasing pressure in the system.
- (j) Special Purpose pipe cutting machine has been developed, having capacity of cutting two pipes at a time. This has resulted in increased productivity.
- (k) Special purpose HST line has been developed to process all sizes and special (Larger Dia. and Water Capacity) cylinders.
- (l) Use of Electric Load & Fuel Consumption reduced, due to installation of new spinning machines for size (dia 200-267) of water capacity (24.0 ltr to 80.0 ltr).
- (m) Use of new cutting oil for pipe cutting/neck cutting & drilling machines, resulted in increase of blade life by 35%.
- (n) In place of manual operation for cascade high pressure S.S.tube bending, the Company is using new hydraulic type blender to increase productivity.
- (o) Cascade development: Increased cylinder water capacity 75.0 litres to 150.0 litres, resulted into reduction of nos. of cylinders, fittings as well as cost.
- (p) Installation of technology powder coating line, the Company is benefited as under:
  - Reduction in power consumption – Single coat is applied on shot blasted out side surface, no need of primer coating & additional paint accessories. Actual connected electricity load for painting line as 45 KW & power coating 34 KW.
  - Powder recovery is 99.5% in comparison with liquid painting recovery, which was 60%.
- (q) Installation of latest technology compact 33 KV Ring main unit, instead of vacuum circuit breaker. This is highly safe in high tension circuit.
- (r) New digital computerized HST (Hydro Stretch Testing) machines are installed, which is generate computerized automatic test reports, instead of manual written report.

**(3) Technology Adaptation**

- (a) We are participating wholeheartedly in Government's initiative of Make in India. Hitherto we have been importing certain components as they were not manufactured in India. Now, some Company have come forward to manufacture these components in India and we are in process

of application testing partners in that program for our customers.

- (b) To tackle the traceability issue of cylinders laser marking machine was installed to mark QR code on cylinder. QR code contains the details regarding the cylinder.

#### 4. Innovation

Innovation is a way of life at EKC. People at various levels in various departments contribute their ideas to keep the Company at the leading edge.

- (a) Cylinder models are developed to meet varying needs of different overseas standards which are much stringent than the standards which we operated till now.
- (b) Company has developed various Tube Trailers for storage and transportation of Bio-Methane gas

and developed Ultra Large Cylinder for Hydrogen, working at 300 Bar for a crucial project of Indian Space Research Organization (ISRO).

- (c) Company has also designed Very Large Capacity storage complex for gases to be stored at very high pressures which was not done in the country till recent times.

### III. Foreign Exchange Earnings and Outgo

Total foreign exchange used and earned:

(₹ in lakhs)

| Particulars             | Current Year  | Previous Year |
|-------------------------|---------------|---------------|
| Foreign Exchange used   | <b>49,274</b> | 28,844        |
| Foreign Exchange earned | <b>337</b>    | 487           |

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING**
**SECTION A: GENERAL DISCLOSURES**

|                                                                                          |                                                                                                               |
|------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| 1. Corporate Identity Number (CIN) of the Company                                        | L29200MH1978PLC020434                                                                                         |
| 2. Name of the Company                                                                   | Everest Kanto Cylinder Limited                                                                                |
| 3. Date of Incorporation                                                                 | 24/06/1978                                                                                                    |
| 4. Registered Office address                                                             | 204, Raheja Centre, Free Press Journal Marg, 214, Nariman Point Mumbai 400 021                                |
| 5. Corporate Address                                                                     | 204, Raheja Centre, Free Press Journal Marg, 214, Nariman Point Mumbai 400 021                                |
| 6. E-mail id                                                                             | investors@ekc.in                                                                                              |
| 7. Telephone                                                                             | 022-4926 8300                                                                                                 |
| 8. Website                                                                               | www.everestkanto.com                                                                                          |
| 9. Financial Year reported                                                               | April 1, 2024 to March 31, 2025                                                                               |
| 10. Paid up Capital                                                                      | 224,415,364                                                                                                   |
| 11. Name of the Stock Exchanges where shares are Listed                                  | Bombay Stock Exchange Limited<br>National Stock Exchange of India Ltd                                         |
| 12. Name and Contact details of person who may be contacted in case if any query on BRSR | Pushkar Khurana, Chairman (Pushkar@ekcuae.com)<br>Puneet Khurana, Managing Director (Puneet@everestkanto.com) |
| 13. Reporting Boundary                                                                   | Standalone basis                                                                                              |
| 14. Whether the company has undertaken assessment or assurance of the BRSR Core?         | No                                                                                                            |
| 15. Name of assurance provider                                                           | None                                                                                                          |
| 16. Name of assurance obtained                                                           | None                                                                                                          |

**II. Products / Services**
**17. Details of business activities (accounting for 90% of the turnover):**

| Sr. No. | Description of Main Activity | Description of Business Activity | % of Turnover of the entity |
|---------|------------------------------|----------------------------------|-----------------------------|
| 1       | Manufacturing                | Metal and metal products         | 96%                         |

**18. Products / Services sold by the entity (accounting for 90% of the entity's Turnover):**

| Sr. No. | Product/Service          | NIC Code | % of total Turnover contributed |
|---------|--------------------------|----------|---------------------------------|
| 1       | Metal and metal products | 2512     | 96%                             |

**III. Operations**
**19. Number of locations where plants and / or operations / offices of the entity are situated:**

| Location      | Number of plants | Number of offices | Total |
|---------------|------------------|-------------------|-------|
| National      | 3                | 1                 | 4     |
| International | 4                | 4                 | 8     |

**20. Markets served by the entity:**
**a. Number of locations**

| Locations                        | Number |
|----------------------------------|--------|
| National (No. of States)         | 28     |
| International (No. of Countries) | 2      |

**b. What is the contribution of exports as a percentage of the total turnover of the entity? 1%**
**c. A brief on types of customers**

Everest Kanto Cylinder Limited, headquartered in Mumbai, is in the business of manufacturing and selling wide range of CNG Steel, Medical Application, Industrial Gas, Fire Extinguisher, Hydrogen, Aluminium, Jumbo cylinders. The Company caters to a wide range of customers, including City Gas Distribution Companies, CNG Vehicle Manufacturers etc.

**IV. Employees**
**21. Details as at the end of Financial Year:**
**a. Employees and workers (including differently abled):**

| S.No. | Particulars                    | Total<br>(A) | Male       |             | Female   |           |
|-------|--------------------------------|--------------|------------|-------------|----------|-----------|
|       |                                |              | No. (B)    | % (B / A)   | No. (C)  | % (C / A) |
|       | EMPLOYEES                      |              |            |             |          |           |
| 1.    | Permanent (D)                  | 345          | 338        | 98%         | 7        | 2%        |
| 2.    | Other than Permanent (E)       | -            | -          | -           | -        | -         |
| 3.    | <b>Total employees (D + E)</b> | 345          | 338        | 98%         | 7        | 2%        |
|       | WORKERS                        |              |            |             |          |           |
| 4.    | Permanent (F)                  | 411          | 411        | 100%        | -        | 0%        |
| 5.    | Other than Permanent (G)       | 35           | 35         | 100%        | -        | 0%        |
| 6.    | <b>Total workers (F + G)</b>   | <b>446</b>   | <b>446</b> | <b>100%</b> | <b>-</b> | <b>0%</b> |

**b. Differently abled Employees and workers:**

| S.No. | Particulars                                      | Total<br>(A) | Male     |             | Female   |           |
|-------|--------------------------------------------------|--------------|----------|-------------|----------|-----------|
|       |                                                  |              | No. (B)  | % (B / A)   | No. (C)  | % (C / A) |
|       | DIFFERENTLY ABLED EMPLOYEES                      |              |          |             |          |           |
| 1.    | Permanent (D)                                    | 1            | 1        | 100%        | -        | 0%        |
| 2.    | Other than Permanent (E)                         | -            | -        | 0%          | -        | 0%        |
| 3.    | <b>Total differently abled employees (D + E)</b> | <b>1</b>     | <b>1</b> | <b>100%</b> | <b>-</b> | <b>0%</b> |
|       | DIFFERENTLY ABLED WORKERS                        |              |          |             |          |           |
| 4.    | Permanent (F)                                    | -            | -        | 0%          | -        | 0%        |
| 5.    | Other than permanent (G)                         | -            | -        | 0%          | -        | 0%        |
| 6.    | <b>Total differently abled workers (F + G)</b>   | <b>-</b>     | <b>-</b> | <b>0%</b>   | <b>-</b> | <b>0%</b> |

**22. Participation / Inclusion / Representation of women:**

| Particulars              | Total (A) | No. and percentage of Females |           |
|--------------------------|-----------|-------------------------------|-----------|
|                          |           | No. (B)                       | % (B / A) |
| Board of Directors       | 7         | 2                             | 29%       |
| Key Management Personnel | 2         | -                             | 0%        |

**23. Turnover rate for permanent employees and workers**

(Disclose trends for the past 3 years)

| Particulars         | FY 2024-25 |        |        | FY 2023-24 |        |       | FY 2022-23 |        |       |
|---------------------|------------|--------|--------|------------|--------|-------|------------|--------|-------|
|                     | Male       | Female | Total  | Male       | Female | Total | Male       | Female | Total |
| Permanent Employees | 6.99%      | 30%    | 6.99%  | 3.62%      | 30%    | 3.62% | 4.34%      | 17%    | 4.34% |
| Permanent Workers   | 18.01%     | 0%     | 18.01% | 2.33%      | 0%     | 2.33% | 9.26%      | 0%     | 9.26% |

**V. Holding, Subsidiary and Associate Companies (including joint ventures)**
**24. (a) Names of holding / subsidiary / associate companies / joint ventures**

| Sr. No. | Name of the holding / subsidiary / associate companies / joint ventures (A) | Indicate whether holding / Subsidiary/ Associate / Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|---------|-----------------------------------------------------------------------------|------------------------------------------------------------------|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| 1       | EKC International FZE                                                       | Subsidiary                                                       | 100%                              | No                                                                                                                           |
| 2       | Next Gen Cylinder Private Limited                                           | Subsidiary                                                       | 100%                              | No                                                                                                                           |
| 3       | Calcutta Compressions and Liquefactions Engineering Ltd                     | Subsidiary                                                       | 100%                              | No                                                                                                                           |
| 4       | EKC Hungary Kft.                                                            | Step down Subsidiary                                             | 100%                              | No                                                                                                                           |
| 5       | EKC Europe GmbH                                                             | Step down Subsidiary                                             | 100%                              | No                                                                                                                           |
| 6       | CP Industries Holding Inc.                                                  | Step down Subsidiary                                             | 100%                              | No                                                                                                                           |
| 7       | EKC General Trading FZE                                                     | Step down Subsidiary                                             | 100%                              | No                                                                                                                           |
| 8       | EKC Europe Zrt                                                              | Joint Venture                                                    | 80%                               | No                                                                                                                           |
| 9       | EKC Egypt (S.A.E.)                                                          | Joint Venture                                                    | 97%                               | No                                                                                                                           |

**VI. CSR Details**

|                                                                                       |     |
|---------------------------------------------------------------------------------------|-----|
| 25. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) | Yes |
| (ii) Turnover (in ₹ crore)                                                            | 946 |
| (iii) Net worth (in ₹ crore)                                                          | 750 |

**VII. Transparency and Disclosures Compliances**
**26. Complaints / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

| Stakeholder group from whom complaint is received        | Grievance Redressal Mechanism in Place (Yes/No)<br>(If Yes, then provide web-link for grievance redress policy)                                                   | FY 2024-25                                                                                 |                                                              |         | FY 2023-24                                 |                                                              |         |
|----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|--------------------------------------------------------------|---------|--------------------------------------------|--------------------------------------------------------------|---------|
|                                                          |                                                                                                                                                                   | Number of complaints filed during the year                                                 | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities                                              | Yes, EKC Limited has a grievance redressal mechanism in place for all of its stakeholders. The processes are set internally and communicated to the stakeholders. | There have been no complaints or grievances received under any of the principles of NGBRC. |                                                              |         |                                            |                                                              |         |
| Investors (other than shareholders)                      |                                                                                                                                                                   |                                                                                            |                                                              |         |                                            |                                                              |         |
| Shareholders                                             |                                                                                                                                                                   |                                                                                            |                                                              |         |                                            |                                                              |         |
| Employees and workers                                    |                                                                                                                                                                   |                                                                                            |                                                              |         |                                            |                                                              |         |
| Customers                                                |                                                                                                                                                                   |                                                                                            |                                                              |         |                                            |                                                              |         |
| Value Chain Partners                                     |                                                                                                                                                                   |                                                                                            |                                                              |         |                                            |                                                              |         |
| Other (violation of code of business conduct and ethics) |                                                                                                                                                                   |                                                                                            |                                                              |         |                                            |                                                              |         |

**27. Overview of the entity's material responsible business conduct issues-**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

| Sr. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity                                                                      | In case of risk, approach to adapt or mitigate                     | Financial implications of the risk or opportunity (Indicate positive or negative implications)                                 |
|---------|---------------------------|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| 1       | GHG Emissions             | Risk                                       | With an increase in the manufacturing capacity - to keep up with the production demand, the GHG emissions will go up. | Using new technology for efficient system to reduce GHG Emissions. | Negative – To set up improved and efficient systems and processes to reduce the GHG Emissions.                                 |
| 2       | Water Management          | Risk                                       | Water being a finite resource will pose a risk to the operations of our business.                                     | Reduction in raw water usage in manufacturing.                     | Neutral – No financial implication is foreseen in the near future. We are taking efforts to ensure efficient water management. |

| Sr. No. | Material issue identified  | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity                                                                                    | In case of risk, approach to adapt or mitigate                                                                         | Financial implications of the risk or opportunity (Indicate positive or negative implications)                                                                |
|---------|----------------------------|--------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3       | Energy Management          | Opportunity                                | Processes and Systems are in place to ensure maximum energy efficiency and this will be continuously improved.                      | EKC has Solar panels, LEDs, uses PNG and LPG as fuel and natural lighting to manage energy efficiently.                | Positive – Any cost put for improving the energy management system will fetch positive outcomes and reduced cost in the long run.                             |
| 4       | CSR                        | Opportunity                                | Need Assessment done prior to project execution gives us the voice and stance of the community along with their consent to operate. | EKC has pioneered on this front.                                                                                       | Positive - The benefits our CSR endeavours bring to the community generates goodwill and enhances our reputation thereby having long term financial benefits. |
| 5       | Human Rights               | Risk                                       | Changing regulations around human rights pose as a challenge.                                                                       | We put in substantial efforts to ensure that no human right violations are ensured in the entire line of our business. | Negative – Any violation can lead to reputational risk for the organization.                                                                                  |
| 6       | Employee Health and Safety | Risk                                       | This can lead to decreased productivity.                                                                                            | Many efforts and initiatives have been put in place to ensure employee health and safety.                              | Neutral – Any cost put towards employee health and safety will yield positive results in the long term.                                                       |
| 7       | Governance                 | Opportunity                                | To build upon our organizational strategy for championing success.                                                                  | Strong leadership and our resilient execution teams.                                                                   | Positive – In transforming our business and levelling it up.                                                                                                  |
| 8       | Consumer Welfare           | Opportunity                                | To distinguish ourselves as market leaders and most preferred brand.                                                                | EKC has established strong market connects and build legacy brands that ensure consumer welfare is ensured.            | Positive – Goodwill amongst consumers will convert into product sales.                                                                                        |

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

**The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:**

- Principle 1 Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable.
- Principle 2 Businesses should provide goods and services in a manner that is sustainable and safe.
- Principle 3 Businesses should respect and promote the well-being of all employees, including those in their value chains.
- Principle 4 Businesses should respect the interests of and be responsive towards all its stakeholders.
- Principle 5 Businesses should respect and promote human rights.
- Principle 6 Businesses should respect, protect, and make efforts to restore the environment.
- Principle 7 Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
- Principle 8 Businesses should promote inclusive growth and equitable development.
- Principle 9 Businesses should engage with and provide value to their consumers in a responsible manner.

| Disclosure Questions                                                                                                                                                                                                                                        | P 1                                                                                                                             | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| <b>Policy and management processes</b>                                                                                                                                                                                                                      |                                                                                                                                 |     |     |     |     |     |     |     |     |
| 1. a. Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs. (Yes / No)                                                                                                                                          | Yes                                                                                                                             | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| b. Has the policy been approved by the Board? (Yes / No)                                                                                                                                                                                                    | Yes                                                                                                                             | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| c. Web Link of the Policies, if available.                                                                                                                                                                                                                  | <a href="https://everestkanto.com/investors/policies/">https://everestkanto.com/investors/policies/</a>                         |     |     |     |     |     |     |     |     |
| 2. Whether the entity has translated the policy into procedures. (Yes / No)                                                                                                                                                                                 | Yes                                                                                                                             | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 3. Do the enlisted policies extend to your value chain partners? (Yes / No)                                                                                                                                                                                 | Yes                                                                                                                             | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fair trade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | ISO 9001:2015<br>BIS IATF 16949 First Edition                                                                                   |     |     |     |     |     |     |     |     |
| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any.                                                                                                                                                                |                                                                                                                                 | (a) | (b) |     |     |     |     | (c) |     |
| 6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.                                                                                                                           |                                                                                                                                 | (a) | (b) |     |     |     |     | (c) |     |
| a) To dispose 30% of hazardous waste through co-processing by FY30.<br>b) Zero Harm Vision to life, environment and property.<br>c) To reduce water consumption by 10% by FY27 and carbon emissions by 35% by FY30, considering baseline of FY24.           |                                                                                                                                 |     |     |     |     |     |     |     |     |
| <b>Governance, leadership and oversight</b>                                                                                                                                                                                                                 |                                                                                                                                 |     |     |     |     |     |     |     |     |
| 7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.                                                                                                                 | Director's Message at the beginning of this Business Responsibility and Sustainability Report.                                  |     |     |     |     |     |     |     |     |
| 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).                                                                                                                               | Name : Mr. Puneet Khurana<br>Designation : Managing Director<br>DIN : 00004074                                                  |     |     |     |     |     |     |     |     |
| 9. Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.                                                                                | Yes, Mr. Puneet Khurana, Managing Director, oversees the Business Responsibility and Sustainability initiatives of the Company. |     |     |     |     |     |     |     |     |

**10. Details of Review of NGRBCs by the Company:**

| Subject for Review                                                                                                                                                           | Indicate whether review was undertaken by<br>Director / Committee of the Board / Any other Committee |        |        |        |        |        |        |        |        | Frequency (Annually / Half yearly / Quarterly / Any other –<br>please specify) |        |        |        |        |        |        |        |        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------------------------------------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|
|                                                                                                                                                                              | P<br>1                                                                                               | P<br>2 | P<br>3 | P<br>4 | P<br>5 | P<br>6 | P<br>7 | P<br>8 | P<br>9 | Frequency                                                                      | P<br>2 | P<br>3 | P<br>4 | P<br>5 | P<br>6 | P<br>7 | P<br>8 | P<br>9 |
| Performance against<br>above policies and<br>follow up action.                                                                                                               | Yes                                                                                                  | Yes    | Yes    | Yes    | Yes    | Yes    | Yes    | Yes    | Yes    | Half yearly                                                                    |        |        |        |        |        |        |        |        |
| Compliance with<br>statutory requirements<br>of relevance to the<br>principles, and,<br>rectification of any<br>non-compliances.                                             | Yes                                                                                                  | Yes    | Yes    | Yes    | Yes    | Yes    | Yes    | Yes    | Yes    | Half yearly                                                                    |        |        |        |        |        |        |        |        |
| 11. Has the entity carried out independent assessment /<br>evaluation of the working of its policies by an external<br>agency? (Yes/No). If yes, provide name of the agency. |                                                                                                      |        |        |        |        |        | P 1    |        | P 2    | P 3                                                                            | P 4    | P 5    | P 6    | P 7    | P 8    | P 9    |        |        |
| No, the Company internally reviews the working of the above-mentioned policies.                                                                                              |                                                                                                      |        |        |        |        |        |        |        |        |                                                                                |        |        |        |        |        |        |        |        |

**12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:**

| Questions                                                                                                                         | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|-----------------------------------------------------------------------------------------------------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| The entity does not consider the Principles material to its business (Yes / No)                                                   | –   | –   | –   | –   | –   | –   | –   | –   | –   |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes / No) | –   | –   | –   | –   | –   | –   | –   | –   | –   |
| The entity does not have the financial or / human and technical resources available for the task (Yes / No)                       | –   | –   | –   | –   | –   | –   | –   | –   | –   |
| It is planned to be done in the next financial year (Yes / No)                                                                    | –   | –   | –   | –   | –   | –   | –   | –   | –   |
| Any other reason (please specify)                                                                                                 | –   | –   | –   | –   | –   | –   | –   | –   | –   |

**SECTION C : PRINCIPLE WISE PERFORMANCE DISCLOSURE**

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

**Essential Indicators**

**1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

| Segment                           | Total number of training and awareness programmes held | Topics / principles covered under the training and its impact     | % age of persons in respective category covered by the awareness programmes |
|-----------------------------------|--------------------------------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------|
| Board of Directors                | 4                                                      | Environment, Business Operations, Strategic Planning, Forecasting | 80%                                                                         |
| Key Managerial Personnel          | 7                                                      | Environment, Business Operations, Strategic Planning, Forecasting | 100%                                                                        |
| Employees other than BoD and KMPs | 3                                                      | Time Management, Safety Management                                | 75%                                                                         |
| Workers                           | 4                                                      | Safety Management, Skill Development                              | 75%                                                                         |

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format

Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on entity's website):

| Monetary        |                 |                                                                       |                 |                   |                                          |
|-----------------|-----------------|-----------------------------------------------------------------------|-----------------|-------------------|------------------------------------------|
|                 | NGRBC Principle | Name of the regulatory / enforcement agencies / judicial institutions | Amount (In INR) | Brief of the Case | Has an appeal been preferred? (Yes / No) |
| Penalty / Fine  | Nil             | NA                                                                    | Nil             | NA                | NA                                       |
| Settlement      | Nil             | NA                                                                    | Nil             | NA                | NA                                       |
| Compounding fee | Nil             | NA                                                                    | Nil             | NA                | NA                                       |

| Non-Monetary |                 |                                                                       |                   |                                          |
|--------------|-----------------|-----------------------------------------------------------------------|-------------------|------------------------------------------|
|              | NGRBC Principle | Name of the regulatory / enforcement agencies / judicial institutions | Brief of the Case | Has an appeal been preferred? (Yes / No) |
| Imprisonment | Nil             | NA                                                                    | NA                | NA                                       |
| Punishment   | Nil             | NA                                                                    | NA                | NA                                       |

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or non-monetary action has been appealed.

| Case Details | Name of the regulatory / enforcement agencies / judicial institutions |
|--------------|-----------------------------------------------------------------------|
| NA           | NA                                                                    |

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, the company has a Code of Conduct for Directors and Senior Management that entails ethical conduct. The Company also has laid down an Ethics policy to ensure ethical conduct by employees, supply chain & business partners.

5. Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

|           | FY 2024-25 | FY 2023-24 |
|-----------|------------|------------|
| Directors | NIL        | NIL        |
| KMPs      | NIL        | NIL        |
| Employees | NIL        | NIL        |
| Workers   | NIL        | NIL        |

6. Details of complaints with regard to conflict of interest:

|                                                                                              | FY 2024-25 |         | FY 2023-24 |         |
|----------------------------------------------------------------------------------------------|------------|---------|------------|---------|
|                                                                                              | Number     | Remarks | Number     | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | Nil        | Nil     | Nil        | Nil     |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs      | Nil        | Nil     | Nil        | Nil     |

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.**

Not applicable.

**8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:**

(₹ in lakhs)

|                                          | <b>FY 2024-25</b> | <b>FY 2023-24</b> |
|------------------------------------------|-------------------|-------------------|
| i) Accounts payable x 365 days           | 1,568,770         | 1,549,425         |
| ii) Cost of goods / services procured    | 62,583            | 47,241            |
| iii) Number of days of accounts payables | 25                | 33                |

**9. Open-ness of business**

**Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:**

| <b>Parameter</b>           | <b>Metrics</b>                                                                           | <b>FY 2024-25</b> | <b>FY 2023-24</b> |
|----------------------------|------------------------------------------------------------------------------------------|-------------------|-------------------|
| Concentration of Purchases | a. Purchases from trading houses as % of total purchases                                 | -                 | -                 |
|                            | b. Number of trading houses where purchases are made from                                | -                 | -                 |
|                            | c. Purchases from top 10 trading houses as % of total purchases from trading houses      | -                 | -                 |
| Concentration of Sales     | a. Sales to dealers / distributors as % of total sales                                   | -                 | -                 |
|                            | b. Number of dealers / distributors to whom sales are made                               | -                 | -                 |
|                            | c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors  | -                 | -                 |
| Share of RPTs in           | a. Purchases (Purchases with related parties / Total Purchases)                          | 0.44%             | -                 |
|                            | b. Sales (Sales to related parties / Total Sales)                                        | 0.73%             | 0.84%             |
|                            | c. Loans & advances (Loans & advances given to related parties / Total loans & advances) | -                 | -                 |
|                            | d. Investments (Investments in related parties / Total Investments made)                 | -                 | -                 |

**Leadership Indicators**

**1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

| <b>Total number of awareness programmes held</b> | <b>Topics / principles covered under the training</b> | <b>% age of value chain partners covered (by value of business done with such partners) under the awareness programmes</b> |
|--------------------------------------------------|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| Nil                                              | Nil                                                   | Nil                                                                                                                        |

**2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes / No) If Yes, provide details of the same.**

Yes, as per Company's Code of Conduct, all its Personnel (Members of the Board) to refrain from engaging in any activity or having a personal interest that presents a conflict of interest. Further, the Company outlines that Personnel of the Company shall not exploit any information discovered through their position in the Company, for their own personal gain.

| c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent):                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                  |                                                |                                                      |                                                    |                                                |                                                      |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|------------------------------------------------------|----------------------------------------------------|------------------------------------------------|------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | FY 2024-25                                                                                                                                                                                                                                                       |                                                |                                                      | FY 2023-24                                         |                                                |                                                      |
| Cost incurred on well-being measures as a % of total revenue of the company                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 0.05%                                                                                                                                                                                                                                                            |                                                |                                                      | 0.04%                                              |                                                |                                                      |
| 2. Details of retirement benefits, for Current FY and Previous Financial Year:                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                  |                                                |                                                      |                                                    |                                                |                                                      |
| Benefits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | FY 2024-25                                                                                                                                                                                                                                                       |                                                |                                                      | FY 2023-24                                         |                                                |                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | No. of employees covered as a % of total employees                                                                                                                                                                                                               | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 100%                                                                                                                                                                                                                                                             | 100%                                           | Yes                                                  | 100%                                               | 100%                                           | Yes                                                  |
| Gratuity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 100%                                                                                                                                                                                                                                                             | 100%                                           | Yes                                                  | 100%                                               | 100%                                           | Yes                                                  |
| ESI                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 100%                                                                                                                                                                                                                                                             | 100%                                           | Yes                                                  | 100%                                               | 100%                                           | Yes                                                  |
| 3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.<br>Yes.                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                  |                                                |                                                      |                                                    |                                                |                                                      |
| 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016 ? If so, provide a web-link to the policy.<br>We strongly believe in respecting the individuality of our employees and are committed to creating a healthy, safe, and secure work environment that enables employees to work without fear of prejudice, gender bias, and sexual harassment. We ensure that no employee is at a disadvantage based on disability and we aim to provide equal opportunities for all the employees. |                                                                                                                                                                                                                                                                  |                                                |                                                      |                                                    |                                                |                                                      |
| 5. Return to work and Retention rates of permanent employees and workers that took parental leave.                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                  |                                                |                                                      |                                                    |                                                |                                                      |
| Gender                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Permanent employees                                                                                                                                                                                                                                              |                                                | Permanent workers                                    |                                                    |                                                |                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Return to work rate                                                                                                                                                                                                                                              | Retention rate                                 | Return to work rate                                  | Retention rate                                     |                                                |                                                      |
| Male                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 100%                                                                                                                                                                                                                                                             | 100%                                           | 100%                                                 | 100%                                               |                                                |                                                      |
| Female                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 100%                                                                                                                                                                                                                                                             | 100%                                           | 100%                                                 | 100%                                               |                                                |                                                      |
| Total                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 100%                                                                                                                                                                                                                                                             | 100%                                           | 100%                                                 | 100%                                               |                                                |                                                      |
| 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                  |                                                |                                                      |                                                    |                                                |                                                      |
| Category                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Yes/No (If Yes, then give details of the mechanism in brief)                                                                                                                                                                                                     |                                                |                                                      |                                                    |                                                |                                                      |
| Permanent Workers                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Yes. All employees, whether permanent or contractual can get in touch through a designated point-of-contact and a unique e-mail ID to report any grievances. We have a designated committee in place to address grievances in an efficient and effective manner. |                                                |                                                      |                                                    |                                                |                                                      |
| Other than Permanent Workers                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                  |                                                |                                                      |                                                    |                                                |                                                      |
| Permanent Employees                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                  |                                                |                                                      |                                                    |                                                |                                                      |
| Other than Permanent Employees                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                  |                                                |                                                      |                                                    |                                                |                                                      |

**PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe**
**Essential Indicators**

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**  
 Environmental and Social impact assessment is one of the key inputs for the new product development/process changes. Capital expenditure and R&D spends incurred by the Company embeds cost incurred to mitigate environmental & social hazards. These are inseparable cost of the projects and hence separately identifying such cost is not feasible. Increasing share of renewable energy in overall energy portfolio is a flagship initiative which demonstrated our commitment towards sourcing clean energy and transition to low carbon operation having a direct impact on the environment.
2. (a) **Does the entity have procedures in place for sustainable sourcing? (Yes / No)**  
 (b) **If yes, what percentage of inputs were sourced sustainably?**  
 EKC manufactures seamless steel cylinders for which seamless tubes are required in specific size and specification which currently are imported from China as Indian Steel Companies are still not providing material as per EKC's specific requirement. 10% of the raw material spend was sourced locally (within India).
3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**  
 By virtue of being a cylinder industry, our products, in general, get completely utilized once it reaches consumers. However, we are focused on reducing the generation of damaged and defective materials on the inventory management front. These stocks are collected back, reprocessed, and utilized to the maximum extent possible.  
 EKC does not recycle the products manufactured. The non-hazardous scrap generated by the Company is sold for further recycling.  
 (a) **Plastics (including packaging):** Not applicable  
 (b) **E-waste:** Not applicable  
 (c) **Hazardous waste:** Not applicable  
 (d) **Other waste:** Not applicable
4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**  
 Not applicable.

**Leadership Indicators**

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

| NIC Code | Name of Product / Service            | % of total Turnover contributed | Boundary for which the Life Cycle Perspective / Assessment was conducted | Whether conducted by independent external agency (Yes / No)     | Results communicated in public domain (Yes / No)<br>If yes, provide the web-link |
|----------|--------------------------------------|---------------------------------|--------------------------------------------------------------------------|-----------------------------------------------------------------|----------------------------------------------------------------------------------|
| 2512     | Metal and metal products (Cylinders) | 96%                             | Seamless Tube to Cylinder                                                | Conducted at in-house facility in presence of external agencies | No                                                                               |

2. **If there are any significant social or environmental concerns and / or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

| Name of Product / Service | Description of the risk / concern | Action Taken |
|---------------------------|-----------------------------------|--------------|
| Not applicable            |                                   |              |

3. **Percentage of recycled or reused input material to total material (by value) used in Products (for manufacturing industry) or providing services (for service industry).**

| Indicate input material | Recycled or re-used input material to total material |            |
|-------------------------|------------------------------------------------------|------------|
|                         | FY 2024-25                                           | FY 2023-24 |
| Not applicable          |                                                      |            |

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

|                                | FY 2024-25     |          |                 | FY 2023-24 |          |                 |
|--------------------------------|----------------|----------|-----------------|------------|----------|-----------------|
|                                | Re-Used        | Recycled | Safely Disposed | Re-Used    | Recycled | Safely Disposed |
| Plastics (including packaging) | Not applicable |          |                 |            |          |                 |
| E-waste                        |                |          |                 |            |          |                 |
| Hazardous waste                |                |          |                 |            |          |                 |
| Other waste                    |                |          |                 |            |          |                 |

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

| Indicate product category | Reclaimed products and their packaging materials as % of total products sold in respective category |
|---------------------------|-----------------------------------------------------------------------------------------------------|
| Not applicable            |                                                                                                     |

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

| Category                       | % of employees covered by |                  |           |                    |           |                    |           |                    |           |                     |           |
|--------------------------------|---------------------------|------------------|-----------|--------------------|-----------|--------------------|-----------|--------------------|-----------|---------------------|-----------|
|                                | Total (A)                 | Health insurance |           | Accident insurance |           | Maternity benefits |           | Paternity Benefits |           | Day Care facilities |           |
|                                |                           | Number (B)       | % (B / A) | Number (C )        | % (C / A) | Number (D)         | % (D / A) | Number (E)         | % (E / A) | Number (F)          | % (F / A) |
| Permanent employees            |                           |                  |           |                    |           |                    |           |                    |           |                     |           |
| Male                           | 338                       | -                | -         | 338                | 100%      | -                  | -         | -                  | -         | -                   | -         |
| Female                         | 7                         | -                | -         | 7                  | 100%      | 7                  | 100%      | -                  | -         | -                   | -         |
| Total                          | 345                       | -                |           | 345                | 100%      | 7                  | 2%        | -                  | -         | -                   | -         |
| Other than Permanent employees |                           |                  |           |                    |           |                    |           |                    |           |                     |           |
| Male                           | -                         | -                | -         | -                  | -         | -                  | -         | -                  | -         | -                   | -         |
| Female                         | -                         | -                | -         | -                  | -         | -                  | -         | -                  | -         | -                   | -         |
| Total                          | -                         | -                | -         | -                  | -         | -                  | -         | -                  | -         | -                   | -         |

b. Details of measures for the well-being of workers:

| Category                       | % of workers covered by |                  |           |                    |           |                    |           |                    |           |                     |           |
|--------------------------------|-------------------------|------------------|-----------|--------------------|-----------|--------------------|-----------|--------------------|-----------|---------------------|-----------|
|                                | Total (A)               | Health insurance |           | Accident insurance |           | Maternity benefits |           | Paternity Benefits |           | Day Care facilities |           |
|                                |                         | Number (B)       | % (B / A) | Number (C )        | % (C / A) | Number (D)         | % (D / A) | Number (E)         | % (E / A) | Number (F)          | % (F / A) |
| Permanent employees            |                         |                  |           |                    |           |                    |           |                    |           |                     |           |
| Male                           | 411                     | -                |           | 411                | 100%      | -                  | -         | -                  | -         | -                   | -         |
| Female                         | 0                       | -                |           | -                  | -         | -                  | -         | -                  | -         | -                   | -         |
| Total                          | 411                     | -                |           | 411                | 100%      | -                  | -         | -                  | -         | -                   | -         |
| Other than Permanent employees |                         |                  |           |                    |           |                    |           |                    |           |                     |           |
| Male                           | 35                      | -                |           | 35                 | 100%      | -                  | -         | -                  | -         | -                   | -         |
| Female                         | -                       | -                |           | -                  | -         | -                  | -         | -                  | -         | -                   | -         |
| Total                          | 35                      | -                |           | 35                 | 100%      | -                  | -         | -                  | -         | -                   | -         |

**7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

| Category                         | FY 2024-25                                           |                                                                                                |           | FY 2023-24                                           |                                                                                                |           |
|----------------------------------|------------------------------------------------------|------------------------------------------------------------------------------------------------|-----------|------------------------------------------------------|------------------------------------------------------------------------------------------------|-----------|
|                                  | Total employees / workers in respective category (A) | No. of employees / workers in respective category, who are part of association(s) or Union (B) | % (B / A) | Total employees / workers in respective category (C) | No. of employees / workers in respective category, who are part of association(s) or Union (B) | % (D / C) |
| <b>Total Permanent Employees</b> |                                                      |                                                                                                |           |                                                      |                                                                                                |           |
| - Male                           | 338                                                  | 19                                                                                             | 6%        | 287                                                  | 19                                                                                             | 7%        |
| - Female                         | 7                                                    | -                                                                                              | -         | 7                                                    | -                                                                                              | -         |
| <b>Total Permanent Workers</b>   |                                                      |                                                                                                |           |                                                      |                                                                                                |           |
| - Male                           | 411                                                  | 321                                                                                            | 78%       | 357                                                  | 337                                                                                            | 94%       |
| - Female                         | -                                                    | -                                                                                              | -         | -                                                    | -                                                                                              | -         |

**8. Details of training given to employees and workers:**

| Category  | FY 2024-25 |                             |           |                      |           | FY 2023-24 |                             |           |                      |           |
|-----------|------------|-----------------------------|-----------|----------------------|-----------|------------|-----------------------------|-----------|----------------------|-----------|
|           | Total (A)  | On Health & safety measures |           | On Skill upgradation |           | Total (A)  | On Health & safety measures |           | On Skill upgradation |           |
|           |            | No. (B)                     | % (B / A) | No. (C)              | % (C / A) |            | No. (B)                     | % (B / A) | No. (C)              | % (C / A) |
| Employees |            |                             |           |                      |           |            |                             |           |                      |           |
| Male      | 338        | 338                         | 100%      | 338                  | 100%      | 295        | 295                         | 100%      | 295                  | 100%      |
| Female    | 7          | 7                           | 100%      | 7                    | 100%      | 7          | 7                           | 100%      | 7                    | 100%      |
| Total     | 345        | 345                         | 100%      | 345                  | 100%      | 302        | 302                         | 100%      | 302                  | 100%      |
| Workers   |            |                             |           |                      |           |            |                             |           |                      |           |
| Male      | 411        | 411                         | 100%      | 411                  | 100%      | 384        | 384                         | 100%      | 384                  | 100%      |
| Female    | -          | -                           | -         | -                    | -         | -          | -                           | -         | -                    | -         |
| Total     | 411        | 411                         | 100%      | 411                  | 100%      | 384        | 384                         | 100%      | 384                  | 100%      |

**9. Details of performance and career development reviews of employees and worker:**

| Category         | FY 2024-25 |            |             | FY 2023-24 |            |             |
|------------------|------------|------------|-------------|------------|------------|-------------|
|                  | Total (A)  | No. (B)    | % (B / A)   | Total (C)  | No. (D)    | % (D / C)   |
| <b>Employees</b> |            |            |             |            |            |             |
| Male             | 338        | 338        | 100%        | 295        | 295        | 100%        |
| Female           | 7          | 7          | 100%        | 7          | 7          | 100%        |
| <b>Total</b>     | <b>345</b> | <b>345</b> | <b>100%</b> | <b>302</b> | <b>302</b> | <b>100%</b> |
| <b>Workers</b>   |            |            |             |            |            |             |
| Male             | 411        | 411        | 100%        | 384        | 384        | 100%        |
| Female           | -          | -          | -           | -          | -          | -           |
| <b>Total</b>     | <b>411</b> | <b>411</b> | <b>100%</b> | <b>384</b> | <b>384</b> | <b>100%</b> |

**10. Health and safety management system:**

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

The Company has complete focus on health and well-being of its employees. Awareness sessions are conducted on safety related aspects for the employees. Training related to Hazard Analysis Critical Control Point (HACCP) and Total Productive Maintenance are also provided. The Company is focused on both, the physical and mental well-being of its employees and has organized various programs and discussions with well-being experts and medical practitioners. Occupational Health and Safety management system has been implemented at EKC. The system covers all employees, workers, operational locations and townships. Operational / Product Safety related trainings and stakeholder engagement exercises are undertaken with local communities and customers as well. The management system is reviewed internally every year, and it is also externally certified at operating units. The efficacy of the management system is maintained and improved as part of the company-wide risk management and control process, and it is aligned with our safety principle.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

We have implemented the process to identify the work-related Hazard Identification and Risk Assessment (HIRA) on a daily routine basis. The work-related hazards are also identified and evaluated as per procedure for Identification and Evaluation of Environmental Aspect and Occupational Health & Safety hazards and records of the same are updated in the Aspect and hazard evaluation register. We also identify workplace hazards through:

- Daily Safety Inspection by plant team, safety personnel and night duty officers;
- Weekly safety inspection by senior officials;
- Daily safety toolbox talk;
- Weekly shop floor safety meeting with workmen;
- Routine identification of unsafe conditions and unsafe acts;
- Capturing and reporting of near miss incident from shop floor personnel;
- Work permits by plant and safety personnel;
- Through Safety Observation Tour (SOT) at plant.

- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

Yes, we have well defined systems and processes for workers to report work-related hazards and remove themselves from such risks. The methods used by different plants include Near miss/unsafe condition reporting, shopfloor safety meeting, safety committee meeting, daily Safety Toolbox Talk, observation reporting system through "Safety Portal", reporting of near miss incident from shop floor workmen, and interaction with workers during daily plant inspection and internal mail and phone communication. The workers can report unsafe conditions and near misses through area-in charge and the hazards are evaluated through various methods such as Hazard Identification and Risk Assessment (HIRA).

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, all the employees/workers have access to non-occupational medical and healthcare services. All our plants have either dedicated occupational health centres (OHC) or medical consultants, visiting specialists doctors, and trained paramedic staff to ensure uninterrupted emergency medical services round the clock.

**11. Details of safety related incidents, in the following format:**

| Safety Incident / Number                                                         | Category  | FY 2024-25 | FY 2023-24 |
|----------------------------------------------------------------------------------|-----------|------------|------------|
| Lost Time Injury Frequency Rate (LTIFR)<br>(per one million-person hours worked) | Employees | Zero       | Zero       |
|                                                                                  | Workers   | 0.40       | 0.39       |
| Total recordable work-related injuries                                           | Employees | Zero       | Zero       |
|                                                                                  | Workers   | 1.00       | 1.00       |
| No. of fatalities                                                                | Employees | Zero       | Zero       |
|                                                                                  | Workers   | Zero       | Zero       |
| High consequence work-related injury or ill-health (excluding fatalities)        | Employees | Zero       | Zero       |
|                                                                                  | Workers   | Zero       | Zero       |

**12. Describe the measures taken by the entity to ensure a safe and healthy work place.**

The company is committed to produce highest quality goods without sacrificing on safety and environmental needs. All work-related risks & their causes in the work environment are identified. Personal protective equipment & awareness trainings are provided to employees and workers. Workplace inspection & hazard identifications are conducted by EHS & Site management. Safety & Environmental audits of plants are done by competent persons/authorities under the Factories Act to ensure compliance. Central Safety Committee and Emergency Response Team like First Aider & Fire Fighter teams are also formed to ensure safety processes and for risk assessment.

**13. Number of Complaints on the following made by employees and workers:**

|                    | FY 2024-25            |                                       |          | FY 2023-24            |                                       |          |
|--------------------|-----------------------|---------------------------------------|----------|-----------------------|---------------------------------------|----------|
|                    | Filed during the year | Pending resolution at the end of year | Remarks  | Filed during the year | Pending resolution at the end of year | Remarks  |
| Working Conditions | 1                     | -                                     | Resolved | 1                     | -                                     | Resolved |
| Health & Safety    |                       |                                       |          |                       |                                       |          |

Safety Suggestion Box is maintained at all our plant locations wherein employees and workers can report their observations / suggestions, which require attention from a safety point of view. These suggestions are evaluated internally and considered for corrective actions.

**14. Assessments for the year:**

|                             | % of your plants and offices that were assessed<br>(by entity or statutory authorities or third parties) |
|-----------------------------|----------------------------------------------------------------------------------------------------------|
| Health and Safety Practices | 100%                                                                                                     |
| Working Conditions          | 100%                                                                                                     |

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

We have introduced advanced technology interventions to prevent accidents and are working on further improvements to address safety-related incidents in the plants. We have a cross-functional investigation team who are responsible for investigating the accidents and submitting detailed reports in a timely manner regarding the causes. Safety alerts are sent by the safety team for discussion in Tool Box and shopfloor safety meetings. All incidents are investigated for identification of gaps and recommendations for improving the system, with the objective of learning and to avoid repetitive shortcomings. Recommendations are implemented in time bound manner. Dissemination of information and learning is done to prevent recurrence. To ensure effectiveness of all the components of the safety system and activities, various internal and external audits are carried out as per details provided in description of Safety Management System. Strict monitoring of the audit recommendations is carried out at various levels.

**Leadership Indicators**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

Yes, the Company extends a compensatory package to all its employees including workers in event of accidental death.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Company requires its value chain partners to abide by the principles of the Company's Supplier Code of Conduct and implement responsible business conduct principles in its operating practices.

**3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

|           | Total no. of affected employees / workers |            | No. of employees / workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment |            |
|-----------|-------------------------------------------|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|------------|
|           | FY 2024-25                                | FY 2023-24 | FY 2024-25                                                                                                                                          | FY 2023-24 |
| Employees | -                                         | -          | -                                                                                                                                                   | -          |
| Workers   | -                                         | -          | -                                                                                                                                                   | -          |

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes / No)**

The Company periodically provides skill-upgradation training programs to all its employees during their employment. The training programs cater to the specific requirements of the cadre and relevant function areas which further enable the employees to pursue employment post retirement or termination, based on the acquired skill set.

**5. Details on assessment of value chain partners:**

|                             | % of value chain partners (by value of business done with such partners) that were assessed |
|-----------------------------|---------------------------------------------------------------------------------------------|
| Health and safety practices | 100%                                                                                        |
| Working Conditions          | 100%                                                                                        |

As per the Company's Code of Conduct, the value chain partners are expected to adhere to the principles of Health and safety practices, working conditions as per extant regulations. However, no independent assessment is carried out.

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Not applicable.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

As a responsible Company focused on driving growth through the strong foundation of stakeholder relationships, Everest Kanto Cylinder Limited engages with its prioritised group of stakeholders, identifies the key material issues and manages their expectations. The stakeholder groups are identified as part of the stakeholder engagement mechanism, built on the principles of inclusivity, accountability, and responsibility. As part of the stakeholder engagement and materiality assessment exercise conducted in FY 2023-24, the Company identified key stakeholder groups based on those groups who are impacted as well those who have a major influence on the business decisions. The key internal and external stakeholder groups identified by the Company as part of the engagement mechanism are - Investors/shareholder, regulators, suppliers/vendors/third-party manufacturers, Non-Governmental Organisations (NGO), Community, Customer B2B, Employee, Senior leadership.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

| Stakeholder Group      | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other                                                                                               | Frequency of engagement (Annually / Half yearly / Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement                                                                                                                                                                                                                                                                                                                                                                               |
|------------------------|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Investor / Shareholder | No                                                             | <ul style="list-style-type: none"> <li>Annual / quarterly reports and earning calls</li> <li>Attending investor conferences</li> <li>Issuing specific event based press releases</li> <li>Investor presentations</li> </ul> | Quarterly / need-based                                                                 | <p>Investors/ Shareholders form an integral part of the stakeholder group, influencing the decisions of the Company.</p> <p>The key areas of interest for the investors/ shareholders are:</p> <ul style="list-style-type: none"> <li>Corporate governance</li> <li>ESG disclosures</li> <li>Regulatory compliance</li> <li>Responsible supply chain management</li> <li>Product responsibility</li> <li>Cost competitiveness</li> <li>Overall Company performance</li> </ul> |

| Stakeholder Group                            | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annually / Half yearly / Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement                                                                                                                                                                                                                                                                                                                |
|----------------------------------------------|----------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Regulator                                    | No                                                             | <ul style="list-style-type: none"> <li>In-person meetings</li> <li>E-mail</li> </ul>                                          | Need-based                                                                             | <p>Transparent communication with the regulators is critical from the compliance perspective.</p> <p>The key areas of interests for the regulators are:</p> <ul style="list-style-type: none"> <li>Regulatory compliance</li> <li>Community engagement</li> <li>De-risk supply chain</li> </ul>                                                                                                                |
| Supplier / vendor / third party manufacturer | No                                                             | <ul style="list-style-type: none"> <li>Vendor meets</li> <li>Virtual modes such as e-mail, telephonically</li> </ul>          | Ongoing                                                                                | <p>Responsible supply chain practices are critically important for ensuring the business continuity in a sustainable manner.</p> <p>Engagement with suppliers, vendors enable the Company to identify the key material issues impacting the supply chain.</p> <p>The key areas of interest for the suppliers are:</p> <ul style="list-style-type: none"> <li>Timely payments</li> <li>Collaboration</li> </ul> |
| NGO                                          | No                                                             | <ul style="list-style-type: none"> <li>In-person meetings</li> <li>Virtual modes such as e-mail, telephonically</li> </ul>    | Ongoing                                                                                | <p>As a responsible Company, engaging with NGOs facilitate the streamlining of the CSR activities undertaken in partnership.</p> <p>The key areas of interest for NGO are:</p> <ul style="list-style-type: none"> <li>Employee volunteering.</li> <li>Agile management process.</li> </ul>                                                                                                                     |
| Community                                    | Yes                                                            | <ul style="list-style-type: none"> <li>In-person meetings</li> <li>Engagement through NGO partners</li> </ul>                 | Ongoing                                                                                | <p>Community development programs initiated by the Company's CSR activities enables driving a positive impact on the community members.</p> <p>The key areas of interest for community are:</p> <ul style="list-style-type: none"> <li>Community development programs with a focus on health, education, sanitation and infrastructure development.</li> </ul>                                                 |
| Customer B2B                                 | No                                                             | <ul style="list-style-type: none"> <li>In-person meetings</li> <li>E-mail</li> <li>Customer feedback sessions</li> </ul>      | Ongoing                                                                                | <p>Customers form a vital part of the Company's stakeholder engagement group to ensure quality services.</p> <p>The key areas of interest for Customer B2B are:</p> <ul style="list-style-type: none"> <li>Product quality, access and pricing.</li> </ul>                                                                                                                                                     |

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other      | Frequency of engagement (Annually / Half yearly / Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------------|----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Employee          | No                                                             | <ul style="list-style-type: none"> <li>Employee focused web-portal</li> <li>E-mail</li> <li>Employee engagement surveys</li> </ul> | Ongoing                                                                                | <p>Employee well being and satisfaction is an integral part of the Company's growth model. Employee engagement through various means of communication provides an insight into the key action areas for employee well being and growth.</p> <p>The key areas of interest for employees are:</p> <ul style="list-style-type: none"> <li>Training, professional growth and development.</li> <li>Well-being initiatives.</li> <li>Employee recognition.</li> <li>Fair remuneration.</li> <li>Work-life balance.</li> </ul> |
| Senior Leadership | No                                                             | <ul style="list-style-type: none"> <li>In person meetings</li> <li>Virtual modes such as e-mail, telephonically</li> </ul>         | Ongoing                                                                                | <p>Senior leadership are the key drivers of the Company's sustainable value creation strategy. Senior leadership engagement facilitates the interlink age of business and sustainable value creation.</p> <p>The key areas of interest for senior leadership are:</p> <ul style="list-style-type: none"> <li>Sustainable and resilient business operations.</li> <li>R&amp;D and innovation.</li> <li>Overall Company performance.</li> </ul>                                                                            |

#### Leadership Indicators

- 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

At EKC, stakeholder engagement mechanism is a key driving force towards strengthening and diversifying the stakeholder relationship, which further facilitates the identification of key material issues impacting the Company's growth. The stakeholder engagement and materiality assessment exercise conducted in FY 2023-24 led to the prioritisation of material issues, mapping of the risks relevant to each material topic and development of consequent risk mitigation steps. The primary outcome of the stakeholder engagement exercise resulted in identification and prioritisation of material issues relevant to environment, social, governance and economic aspects. The identified material issues were presented to the highest governing member and the Board for their feedback and guidance on strategizing the sustainable growth model of the Company. As part of the Company's efforts to continually engage with internal and external stakeholder groups for identification of key material issues impacting them, the stakeholder engagement exercise undergoes periodic review.

- 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, the identification, prioritisation of material issues relevant to the environment, social, economic and governance topics is done in consultation with the stakeholders. The identified issues are then subsequently mapped with relevant risks. As part of the risk management plan, the Company subsequently strategizes and develops mitigation action plans for the identified risk. The material issues form the guiding framework for the nonfinancial disclosures of the Company through its Sustainability Report. As per the

**3. Details of remuneration / salary / wages:**
**a. Median remuneration / wages:**

|                                  | Male   |                                                             | Female |                                                             |
|----------------------------------|--------|-------------------------------------------------------------|--------|-------------------------------------------------------------|
|                                  | Number | Median remuneration / salary / wages of respective category | Number | Median remuneration / salary / wages of respective category |
| Board of Directors (BoD)         | 5      | 3,125,000                                                   | 2      | 1,190,000                                                   |
| Key Managerial Personnel         | 2      | 5,610,655                                                   | -      | -                                                           |
| Employees other than BoD and KMP | 411    | 433,236                                                     | 7      | 1,000,000                                                   |
| Workers                          | 335    | 216,420                                                     | -      | -                                                           |

**b. Gross wages paid to females as % of total wages paid by the entity:**

|                                                 | FY 2024-25 | FY 2023-24 |
|-------------------------------------------------|------------|------------|
| Gross wages paid to females as % of total wages | 2%         | 3%         |

**4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes / No)**

Yes, the Company has a team in place under the direct touch initiative to address human rights issues.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

At EKC, guidance on human rights issues is covered as a part of its Code of Conduct. The Company has a Whistle Blower and Protection Policy that allows and encourages its stakeholders to raise concerns about the violations against the Code of Conduct. Any concerns reported are addressed by the direct touch team.

**6. Number of Complaints on the following made by employees and workers:**

|                                    | FY 2024-25                                               |                                       |         | FY 2023-24            |                                       |         |
|------------------------------------|----------------------------------------------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
|                                    | Filed during the year                                    | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual Harassment                  | No complaints have been received under these categories. |                                       |         |                       |                                       |         |
| Discrimination at workplace        |                                                          |                                       |         |                       |                                       |         |
| Child Labour                       |                                                          |                                       |         |                       |                                       |         |
| Forced Labour / Involuntary Labour |                                                          |                                       |         |                       |                                       |         |
| Wages                              |                                                          |                                       |         |                       |                                       |         |
| Other human rights related issues  |                                                          |                                       |         |                       |                                       |         |

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

|                                                                                                                                     | FY 2024-25                                              | FY 2023-24 |
|-------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|------------|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | No complaints have been received under these categories |            |
| Complaints on POSH as a % of female employees / workers                                                                             |                                                         |            |
| Complaints on POSH upheld                                                                                                           |                                                         |            |

relevant national and international guidelines and standards, the Company discloses its management approach, targets/goals and its non-financial performance in the reporting year for each of the identified material topic. Additionally, the identification of material issues enables the company to focus on its key improvement areas and subsequently develop future action plans such as policy development, initiatives implementation among others.

**3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable / marginalized stakeholder groups.**

The community members are identified as vulnerable/marginalised stakeholder group for the Company. As part of the Corporate Social Responsibility (CSR) initiatives, the Company undertakes need assessment to identify and prioritise the focus areas for community development. The Company has undertaken various CSR initiatives on seven focus areas- healthcare, education, rural development, environment conservation, sanitation, drinking water project, disaster relief program. For further details refer the Annual Report and the Company's Annual CSR report.

**PRINCIPLE 5: Businesses should respect and promote human rights**

**Essential Indicators**

**1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

| Category               | FY 2024-25 |                                     |             | FY 2023-24 |                                     |             |
|------------------------|------------|-------------------------------------|-------------|------------|-------------------------------------|-------------|
|                        | Total (A)  | No. employees / workers covered (B) | % (B / A)   | Total (C)  | No. employees / workers covered (D) | % (D / C)   |
| <b>Employees</b>       |            |                                     |             |            |                                     |             |
| Permanent              | 345        | 345                                 | 100%        | 294        | 294                                 | 100%        |
| Other than permanent   | -          | -                                   | -           | 8          | 8                                   | 100%        |
| <b>Total Employees</b> | <b>345</b> | <b>345</b>                          | <b>100%</b> | <b>302</b> | <b>302</b>                          | <b>100%</b> |
| <b>Workers</b>         |            |                                     |             |            |                                     |             |
| Permanent              | 411        | 411                                 | 100%        | 357        | 357                                 | 100%        |
| Other than permanent   | 35         | 35                                  | 100%        | 27         | 27                                  | 100%        |
| <b>Total Employees</b> | <b>446</b> | <b>446</b>                          | <b>100%</b> | <b>384</b> | <b>384</b>                          | <b>100%</b> |

**2. Details of minimum wages paid to employees and workers, in the following format:**

| Category             | FY 2024-25 |                       |           |                        |           | FY 2023-24 |                       |         |                        |         |
|----------------------|------------|-----------------------|-----------|------------------------|-----------|------------|-----------------------|---------|------------------------|---------|
|                      | Total (A)  | Equal to Minimum Wage |           | More than Minimum Wage |           | Total (D)  | Equal to Minimum Wage |         | More than Minimum Wage |         |
|                      |            | No.(B)                | % (B / A) | No.(C)                 | % (C / A) |            | No.(E)                | % (E/D) | No.(F)                 | % (F/D) |
| Employees            |            |                       |           |                        |           |            |                       |         |                        |         |
| Permanent            |            |                       |           |                        |           |            |                       |         |                        |         |
| Male                 | 338        | -                     | -         | 338                    | 100%      | 287        | -                     | -       | 287                    | 100%    |
| Female               | 7          | -                     | -         | 7                      | 100%      | 7          | -                     | -       | 7                      | 100%    |
| Other than permanent | -          | -                     | -         | -                      | -         | -          | -                     | -       | -                      | -       |
| Male                 | -          | -                     | -         | -                      | -         | 8          | -                     | -       | 8                      | 100%    |
| Female               | -          | -                     | -         | -                      | -         | -          | -                     | -       | -                      | -       |
| Workers              |            |                       |           |                        |           |            |                       |         |                        |         |
| Permanent            |            |                       |           |                        |           |            |                       |         |                        |         |
| Male                 | 411        | -                     | -         | 411                    | 100%      | 357        | -                     | -       | 357                    | 100%    |
| Female               | -          | -                     | -         | -                      | -         | -          | -                     | -       | -                      | 0%      |
| Other than permanent | -          | -                     | -         | -                      | -         | -          | -                     | -       | -                      | -       |
| Male                 | 35         | -                     | -         | 35                     | 100%      | 27         | -                     | -       | 27                     | 0%      |
| Female               | -          | -                     | -         | -                      | -         | -          | -                     | -       | -                      | -       |

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Whistle Blower & Protection policy mentions a clause on confidentiality of complainant/ Protection against victimization. It states that the disclosures of wrongful conduct are submitted on a confidential basis or submitted anonymously. Such disclosures are confidential to the extent possible, convenient with the need to conduct an adequate investigation. The company takes stringent actions against any director, supervisor or employee found to have so violated this clause.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes / No)**

Yes, human rights requirements form a part of the Company's business agreements and contracts.

**10. Assessments for the year:**

|                             | % of your plants and offices that were assessed<br>(by entity or statutory authorities or third parties)          |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------|
| Child labour                | 100%                                                                                                              |
| Forced/involuntary labour   | 100%                                                                                                              |
| Sexual harassment           | 100%                                                                                                              |
| Discrimination at workplace | 100%                                                                                                              |
| Wages                       | 100%                                                                                                              |
| Others – please specify     | 100% (Compliance of different statutory provisions pertaining to Wages, Working Conditions, Social Security etc.) |

All the locations under the entity are assessed on the above parameters, complying with the requirements of the Shop and Establishments Act for offices and the Factory Inspector audits at plants.

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

Not applicable.

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances / complaints.**

Not applicable.

**2. Details of the scope and coverage of any Human rights due-diligence conducted.**

The Company in the reporting period did not undertake any Human Rights due diligence. The Company's revised Human Rights Policy expects all the employees and members of the value chain to abide by its principles. As part of the policy statement, the Company outlines that it will undertake human rights due diligence to identify adverse human rights impact of the business on all relevant stakeholders and correspondingly address, prevent and mitigate through corrective actions.

**3. Is the premise / office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, as per the requirements of the Rights of Persons with Disabilities, the Company manufacturing premises and offices have ramps, elevators and infrastructure for differently abled individuals.

**4. Details on assessment of value chain partners:**

|                                    | % of value chain partners (by value of business done with such partners) that were assessed |
|------------------------------------|---------------------------------------------------------------------------------------------|
| Sexual Harassment                  | 100%                                                                                        |
| Discrimination at workplace        | 100%                                                                                        |
| Child Labour                       | 100%                                                                                        |
| Forced Labour / Involuntary Labour | 100%                                                                                        |
| Wages                              | 100%                                                                                        |
| Others – please specify            | 100%                                                                                        |

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not applicable.

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.**
**Essential Indicators**
**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

| Parameter                                                                                                                                                      | FY 2024-25     | FY 2023-24     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| <b>From renewable sources</b>                                                                                                                                  |                |                |
| Total electricity consumption (A)                                                                                                                              | 4,384          | 7,455          |
| Total fuel consumption (B)                                                                                                                                     | –              | –              |
| Energy consumption through other sources (C)                                                                                                                   | –              | –              |
| <b>Total energy consumed from renewable sources (A+B+C)</b>                                                                                                    | <b>4,384</b>   | <b>7,455</b>   |
| <b>From non-renewable sources</b>                                                                                                                              |                |                |
| Total electricity consumption (D)                                                                                                                              | 109,379        | 85,096         |
| Total fuel consumption (E)                                                                                                                                     | 262,314        | 221,066        |
| Energy consumption through other sources (F)                                                                                                                   | –              | –              |
| <b>Total energy consumed from non-renewable sources (D+E+F)</b>                                                                                                | <b>371,693</b> | <b>306,162</b> |
| <b>Total energy consumed (A+B+C+D+E+F)</b>                                                                                                                     | <b>376,077</b> | <b>313,617</b> |
| <b>Energy intensity per rupee of turnover</b><br>(Total energy consumed / Revenue from operations)                                                             | 411            | 421            |
| <b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b><br>(Total energy consumed / Revenue from operations adjusted for PPP) | 10,272         | 10,536         |
| <b>Energy intensity in terms of physical output</b>                                                                                                            | <b>2,876</b>   | <b>2,950</b>   |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

We haven't carried out assessment / evaluation / assurance by any external agency.

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Not applicable.

**3. Provide details of the following disclosures related to water, in the following format:**

| Parameter                                                                                                                                                       | FY 2024-25    | FY 2023-24    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|
| <b>Water withdrawal by source (in kilolitres)</b>                                                                                                               |               |               |
| (i) Surface water                                                                                                                                               | 32,848        | 31,880        |
| (ii) Groundwater                                                                                                                                                | –             | –             |
| (iii) Third party water                                                                                                                                         | 52,417        | 42,080        |
| (iv) Seawater / desalinated water                                                                                                                               | –             | –             |
| (v) Others                                                                                                                                                      | –             | –             |
| <b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>                                                                                 | <b>85,265</b> | <b>73,960</b> |
| <b>Total volume of water consumption (in kilolitres)</b>                                                                                                        | <b>85,265</b> | <b>73,960</b> |
| <b>Water intensity per rupee of turnover</b><br>(Total water consumption / Revenue from operations)                                                             | 93            | 99            |
| <b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b><br>(Total water consumption / Revenue from operations adjusted for PPP) | 2,329         | 2,485         |
| <b>Water intensity in terms of physical output</b>                                                                                                              | <b>652</b>    | <b>696</b>    |

**Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

We haven't carried out assessment / evaluation / assurance by any external agency.

**4. Provide the following details related to water discharged:**

| Parameter                                                                                                                      | FY 2024-25   | FY 2023-24   |
|--------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| <b>Water discharge by destination and level of treatment (in kilolitres)</b>                                                   |              |              |
| (i) To Surface water                                                                                                           |              |              |
| – No treatment                                                                                                                 | -            | -            |
| – With treatment-please specify level of treatment                                                                             | -            | -            |
| (ii) To Groundwater                                                                                                            |              |              |
| – No treatment                                                                                                                 | -            | -            |
| – With treatment-please specify level of treatment                                                                             | -            | -            |
| (iii) To Seawater                                                                                                              |              |              |
| – No treatment                                                                                                                 | -            | -            |
| – With treatment-please specify level of treatment                                                                             | -            | -            |
| (iii) To Seawater                                                                                                              |              |              |
| – No treatment                                                                                                                 | -            | -            |
| – With treatment-please specify level of treatment                                                                             | -            | -            |
| (iv) Sent to third- parties                                                                                                    |              |              |
| – No treatment                                                                                                                 | -            | -            |
| – With treatment-please specify level of treatment                                                                             | -            | -            |
| (v) Others                                                                                                                     |              |              |
| – No treatment                                                                                                                 | -            | -            |
| – With treatment - Boiler Blowdown and Softening water is collected at ETP and the same is treated and used for Cooling system | 3,103        | 2,920        |
| <b>Total water discharged (in kilolitres)</b>                                                                                  | <b>3,103</b> | <b>2,920</b> |

We haven't carried out assessment / evaluation / assurance by any external agency.

**5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

The Company has implemented a mechanism of Zero Liquid Discharge in 2 manufacturing units where the Company reuses and recycles all the wastewater generated after treatment. All the wastewater is collected and treated in STP / ETPs and treated wastewater is completely recycled or reused as appropriate.

**6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

| Parameter                           | Please specify unit | FY 2024-25 | FY 2023-24 |
|-------------------------------------|---------------------|------------|------------|
| Nox                                 | Tonne               | -          | -          |
| Sox                                 | Tonne               | -          | -          |
| Particulate matter (PM)             | Tonne               | -          | -          |
| Persistent organic pollutants (POP) | Tonne               | -          | -          |
| Volatile organic compounds (VOC)    | Tonne               | -          | -          |
| Hazardous air pollutants (HAP)      | Tonne               | -          | -          |
| Others – please specify             | Tonne               | -          | -          |

**Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No independent assessment / evaluation / assurance has been carried out by an external agency.

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

| Parameter                                                                                                                                                                                                          | Unit                                                         | FY 2024-25 | FY 2023-24 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|------------|------------|
| <b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)                                       | Metric tonnes of CO <sub>2</sub> equivalent                  | 487        | 828        |
| <b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)                                       | Metric tonnes of Co <sub>2</sub> equivalent                  | 50,878     | 40,153     |
| <b>Total Scope 1 and Scope 2 emissions per crore rupee of turnover</b>                                                                                                                                             | Metric tonnes of Co <sub>2</sub> per crore rupee of turnover | 56         | 55         |
| <b>Total Scope 1 and Scope 2 emission intensity per crore rupee of turnover adjusted for Purchasing Power Parity (PPP)</b><br>(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) |                                                              | 1,403      | 1,377      |
| <b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>                                                                                                                                    |                                                              | 393        | 385        |

**Note:** Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

We haven't carried out assessment / evaluation / assurance by any external agency.

**8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

Aligning emissions management strategy with the global goals of minimizing carbon footprint and mitigating climate change risks, the Company has streamlined its processes to move closer to this common goal. Reducing GHG emissions is not only a business imperative for EKC, but also forms a vital part of its environmental strategy going forward. With the use of Renewable Energy sources, alternate fuel, and energy efficiency efforts, the Company has been able to reduce emissions. The Company is committed to energy conservation and ensure efficient energy usage at all its operational facilities. Energy management forms a vital part of the Company's approach towards sustainable operations. Facilities operate with an aim to reduce energy consumption in the processes which has a direct impact on carbon emissions. Renewable electricity generation is one of the identified focus areas and several investments have been made in this space over the years.

**9. Provide details related to waste management by the entity, in the following format:**

| Parameter                                                                                                                                                     | FY 2024-25 | FY 2023-24 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|
| <b>Total Waste generated (in metric tonnes)</b>                                                                                                               |            |            |
| Plastic waste (A)                                                                                                                                             | -          | -          |
| E-waste (B)                                                                                                                                                   | -          | -          |
| Bio-medical waste (C)                                                                                                                                         | -          | -          |
| Construction and demolition waste (D)                                                                                                                         | -          | -          |
| Battery waste (E)                                                                                                                                             | -          | -          |
| Radioactive waste (F)                                                                                                                                         | -          | -          |
| Other Hazardous waste (G)                                                                                                                                     | 3          | 2          |
| Other Non-hazardous waste generated (H) Please specify, if any.<br>(Break-up by composition i.e. by materials relevant to the sector)                         | -          | -          |
| <b>Total (A+B + C + D + E + F + G + H)</b>                                                                                                                    | <b>3</b>   | <b>2</b>   |
| <b>Waste intensity per rupee of turnover</b><br>(Total waste generated / Revenue from operations)                                                             | -          | -          |
| <b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b><br>(Total waste generated / Revenue from operations adjusted for PPP) | -          | -          |
| <b>Waste intensity in terms of physical output</b>                                                                                                            | -          | -          |
| <b>Waste intensity</b> (optional) – the relevant metric may be selected by the entity                                                                         |            |            |

| Parameter                                                                                                                                      | FY 2024-25 | FY 2023-24 |
|------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|
| <b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b> |            |            |
| <b>Category of waste</b>                                                                                                                       |            |            |
| (i) Recycled                                                                                                                                   | -          | -          |
| (ii) Re-used                                                                                                                                   | -          | -          |
| (iii) Other recovery operations                                                                                                                | -          | -          |
| <b>Total</b>                                                                                                                                   | -          | -          |
| <b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>                              |            |            |
| <b>Category of waste</b>                                                                                                                       |            |            |
| (i) Incineration                                                                                                                               | -          | -          |
| (ii) Landfilling                                                                                                                               | -          | -          |
| (iii) Other disposal operations                                                                                                                | -          | -          |
| <b>Total</b>                                                                                                                                   | -          | -          |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

We haven't carried out assessment / evaluation / assurance by any external agency.

- 10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

By virtue of being a cylinder industry, our products, in general, get completely utilized once it reaches consumers. However, we are focused on reducing the generation of damaged and defective materials on the inventory management front. These stocks are collected back, reprocessed, and utilized to the maximum extent possible. EKC does not recycle the products manufactured. The non-hazardous scrap generated by the Company is sold for further recycling. (a) Plastics (including packaging): Not applicable (b) E-waste: Not applicable (c) Hazardous waste: Not applicable (d) other waste: Not applicable.

- 11. If the entity has operations / offices in / around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

| S.No.          | Location of operations / offices | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any |
|----------------|----------------------------------|--------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Not applicable |                                  |                    |                                                                                                                                                            |

- 12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

| Name and brief details of project                         | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|-----------------------------------------------------------|----------------------|------|-------------------------------------------------------------|--------------------------------------------------|-------------------|
| No assessment has been done in the current financial year |                      |      |                                                             |                                                  |                   |

- 13. Is the entity compliant with the applicable environmental law / regulations / guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes, the company is compliant with the applicable environmental law / regulations / guidelines in India. There have been no incidents of non-compliance from EKC's end related to the environment in FY 2024-25.

**Leadership Indicators**
**1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

The Company has implemented a mechanism of Zero Liquid Discharge in 3 manufacturing units where the Company reuses and recycles all the wastewater generated after treatment. All the wastewater is collected and treated in STP/ETPs and treated wastewater is completely recycled or reused as appropriate.

We haven't carried out assessment / evaluation / assurance by any external agency.

| Parameter                                                                                                                     | FY 2024-25   | FY 2023-24   |
|-------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| <b>Water withdrawal by source (in kilolitres)</b>                                                                             |              |              |
| (i) Surface water                                                                                                             | -            | -            |
| (ii) Groundwater                                                                                                              | -            | -            |
| (iii) Third party water                                                                                                       | -            | -            |
| (iv) Seawater / desalinated water                                                                                             | -            | -            |
| (v) Others                                                                                                                    | -            | -            |
| <b>Total volume of water withdrawal (in kilolitres)</b>                                                                       |              |              |
| <b>Total volume of water consumption (in kilolitres)</b>                                                                      |              |              |
| <b>Water intensity per rupee of turnover</b> (Water consumed / turnover)                                                      |              |              |
| <b>Water intensity</b> (optional) - the relevant metric may be selected by the entity                                         |              |              |
| <b>Water discharge by destination and level of treatment (in kilolitres)</b>                                                  |              |              |
| (I) Into Surface water                                                                                                        |              |              |
| – No treatment                                                                                                                | -            | -            |
| – With treatment-please specify level of treatment                                                                            | -            | -            |
| (ii) Into Groundwater                                                                                                         |              |              |
| – No treatment                                                                                                                | -            | -            |
| – With treatment-please specify level of treatment                                                                            | -            | -            |
| (iii) Into Seawater                                                                                                           |              |              |
| – No treatment                                                                                                                | -            | -            |
| – With treatment-please specify level of treatment                                                                            | -            | -            |
| (iv) Sent to third- parties                                                                                                   |              |              |
| – No treatment                                                                                                                | -            | -            |
| – With treatment-please specify level of treatment                                                                            | -            | -            |
| (v) Others                                                                                                                    |              |              |
| – No treatment                                                                                                                | -            | -            |
| – With treatment- Boiler Blowdown and Softening water is collected at ETP and the same is treated and used for Cooling system | 2,920        | 2,920        |
| <b>Total water discharged (in kilolitres)</b>                                                                                 | <b>2,920</b> | <b>2,920</b> |

We haven't carried out assessment / evaluation / assurance by any external agency.

**2. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

| Parameter                                                                                                                                                                       | Unit                                              | FY 2024-25 | FY 2023-24 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|------------|------------|
| <b>Total Scope 3 emissions</b><br>(Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, Sf <sub>6</sub> , NF <sub>3</sub> , if available) | <b>Metric tonnes of CO<sub>2</sub> equivalent</b> | 576        | 548        |
| <b>Total Scope 3 emissions per crore rupee of turnover</b>                                                                                                                      |                                                   | 0.63       | 0.74       |
| <b>Total Scope 3 emission intensity</b><br>(optional) – the relevant metric may be selected by the entity                                                                       |                                                   | -          | -          |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

We haven't carried out assessment / evaluation / assurance by any external agency.

**3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Aligning emissions management strategy with the global goals of minimizing carbon footprint and mitigating climate change risks, the Company has streamlined its processes to move closer to this common goal. Reducing GHG emissions is not only a business imperative for EKC, but also forms a vital part of its environmental strategy going forward. With the use of Renewable Energy sources, alternate fuel, and energy efficiency efforts, the Company has been able to reduce emissions. The Company is committed to energy conservation and ensure efficient energy usage at all its operational facilities. Energy management forms a vital part of the Company's approach towards sustainable operations. Facilities operate with an aim to reduce energy consumption in the processes which has a direct impact on carbon emissions. Renewable electricity generation is one of the identified focus areas and several investments have been made in this space over the years.

**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

| Sr. No. | Initiative undertaken                            | Details of the initiative (Web-link, if any, may be provided along with summary)                            | Outcome of the initiative                                                                                                             |
|---------|--------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| 1       | Switchover to LED lights from fluorescent lights | Use of LED lights                                                                                           | Saving in Power consumption                                                                                                           |
| 2       | Waste Reduction and Resource Recovery            | We are committed to paper reduction initiatives across all sites and are promoting digitisation             | Through process optimisation and digitalisation efforts, we have successfully eliminated approximately 7 million paper page annually. |
| 3       | Installation of new spinning machines            | Electric load reduced from 175 KW to 80 KW                                                                  | Reduction in Electric load                                                                                                            |
| 4       | Adoption of renewable energy - Windmill          | The Company has implemented windmill for captive consumption                                                | Reduction of GHG emissions & Reduction in energy costs                                                                                |
| 5       | Installation of new spinning machines            | Fuel consumption reduced from 1.11 Cubic meter to per operation to 0.5 cubic meter per operation            | Reduction in Fuel consumption                                                                                                         |
| 6       | Installation of new pipe cutting machines        | Reduction in Stores items like Blade etc. and increased productivity by 3 times, reducing power consumption | Saving in Power consumption and increased productivity                                                                                |

| Sr. No. | Initiative undertaken                    | Details of the initiative (Web-link, if any, may be provided along with summary) | Outcome of the initiative          |
|---------|------------------------------------------|----------------------------------------------------------------------------------|------------------------------------|
| 7       | Installation of New Pressure Air Booster | New High Pressure Air Booster                                                    | Saving in Power consumption by 65% |
| 8       | New Powder Coating Line                  | New Powder Coating Line                                                          | Saving in Power consumption by 20% |
| 9       | Garden Area Development                  | Garden area Development inside and outside factory premises                      | Reduction in pollution             |

**5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Emergency plan is prepared at all plants and mock drills are conducted in once in six months. Following are the major components of the emergency plan

- All probable hazards, their place, potential, damaging capacity and areas in case of all accidents, dangerous occurrence, emergencies and disasters happening in or affecting the jurisdiction at any time detailed emergency response for each hazard scenario.
- Emergency response team on site consisting of site main controller, incident controller, firefighting team, first aiders, communications team, power and utility teams.
- Responsibilities and functions of key member's emergency response team and alternates.
- Emergency control centre and minimum infrastructure required in emergency control centre.
- List of Regulatory agencies with names and telephone Numbers.
- List of Telephone numbers of Local Hospitals and telephone numbers.

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

The company does not have any adverse impact on the environment due to its supply chain activities.

**7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

Nil.

**8. How many Green Credits have been generated or procured:**

- By the listed entity.
- By the top ten (in terms of value of purchases and sales, respectively) value chain partners.

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

**1. a. Number of affiliations with trade and industry chambers / associations.**

The Company is a member of 5 trade and industry chambers / associations.

**b. List the top 10 trade and industry chambers / associations determined based on the total members of such body) the entity is a member of/ affiliated to.**

| S. No. | Name of the trade and industry chambers / associations      | Reach of trade and industry chambers / associations (State / National) |
|--------|-------------------------------------------------------------|------------------------------------------------------------------------|
| 1      | Bombay Chamber of Commerce and Industry                     | State                                                                  |
| 2      | All India Industrial Gases Manufacturers Association        | National                                                               |
| 3      | All India High Pressure Cylinder Manufacturers' Association | National                                                               |
| 4      | Entrepreneurs Organisation Mumbai                           | State                                                                  |
| 5      | Federation of Kutch Industries Association                  | State                                                                  |

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

| Name of authority                                                                                                        | Brief of the case | Corrective action taken |
|--------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------|
| For the reporting year, there were no cases issued against the Company for issues pertaining to anticompetitive conduct. |                   |                         |

#### Leadership Indicators

1. Details of public policy positions advocated by the entity:

| S. No. | Public policy advocated | Method resorted for such advocacy | Whether information available in public domain? (Yes / No) | Frequency of Review by Board (Annually / Half yearly / Quarterly / Others – please specify) | Web Link, if available |
|--------|-------------------------|-----------------------------------|------------------------------------------------------------|---------------------------------------------------------------------------------------------|------------------------|
| Nil    |                         |                                   |                                                            |                                                                                             |                        |

#### PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

##### Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

| Name and brief details of project                                                                                                                                                                                                                                                           | SIA Notification No. | Date of notification | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|-------------------------------------------------------------|--------------------------------------------------|-------------------|
| The Company undertakes its CSR initiatives directly and through various implementation agencies in accordance with the applicable laws. Details of CSR initiatives taken by the Company and agencies and impact assessment thereof are provided in the Annexure I to the Directors' Report. |                      |                      |                                                             |                                                  |                   |

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

| S. No.                                          | Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | % of PAFs covered by R&R | Amounts paid to PAFs in the FY (In INR) |
|-------------------------------------------------|------------------------------------------|-------|----------|-----------------------------------------|--------------------------|-----------------------------------------|
| The Company does not have any ongoing projects. |                                          |       |          |                                         |                          |                                         |

3. Describe the mechanisms to receive and redress grievances of the community.

EKC's CSR implementation process has been developed keeping in mind the specific needs of the communities that it operates in. The Company finalises its community initiatives after a thorough understanding of the specific needs of each community through stakeholder engagement and need assessment.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

|                                               | FY 2024-25 | FY 2023-24 |
|-----------------------------------------------|------------|------------|
| Directly sourced from MSMEs / small producers | 1%         | 1%         |
| Directly from within India                    | NA         | NA         |

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

| Location     | FY 2024-25 | FY 2023-24 |
|--------------|------------|------------|
| Rural        | -          | -          |
| Semi-urban   | 100%       | 100%       |
| Urban        | -          | -          |
| Metropolitan | 0%         | 0%         |

#### Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

| Details of negative social impact identified                                                                                                                                                                                                                                                | Corrective action taken |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| The Company undertakes its CSR initiatives directly and through various implementation agencies in accordance with the applicable laws. Details of CSR initiatives taken by the Company and agencies and impact assessment thereof are provided in the Annexure I to the Directors' Report. |                         |

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

| S. No.                                                                                                                                                                                                                                                                                      | State | Aspirational District | Amount spent (In INR) |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|-----------------------|-----------------------|
| The Company undertakes its CSR initiatives directly and through various implementation agencies in accordance with the applicable laws. Details of CSR initiatives taken by the Company and agencies and impact assessment thereof are provided in the Annexure I to the Directors' Report. |       |                       |                       |

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups? (Yes / No)  
 (b) From which marginalized / vulnerable groups do you procure?  
 (c) What percentage of total procurement (by value) does it constitute?

No, the Company does not have any preferential procurement policy focusing on suppliers from marginalised / vulnerable groups.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

| S. No.                                                                                                                  | Intellectual Property based on traditional knowledge | Owned / Acquired (Yes / No) | Benefit shared (Yes / No) | Basis of calculating benefit share |
|-------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|-----------------------------|---------------------------|------------------------------------|
| The Company does not derive any benefits from intellectual properties owned or acquired based on traditional knowledge. |                                                      |                             |                           |                                    |

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

| Name of authority | Brief of the Case | Corrective action taken |
|-------------------|-------------------|-------------------------|
| Not applicable    |                   |                         |

6. Details of beneficiaries of CSR Projects:

| S. No.                                                                                                                                                                                                                                                                                      | CSR Project | No. of persons benefitted from CSR Projects | % of beneficiaries from vulnerable and marginalized groups |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|---------------------------------------------|------------------------------------------------------------|
| The Company undertakes its CSR initiatives directly and through various implementation agencies in accordance with the applicable laws. Details of CSR initiatives taken by the Company and agencies and impact assessment thereof are provided in the Annexure I to the Directors' Report. |             |                                             |                                                            |

**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner**

|                             |
|-----------------------------|
| <b>Essential Indicators</b> |
|-----------------------------|

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Company treats customer complaints with utmost importance and believe that it needs to be agile, transparent and solution-oriented to resolve them efficiently and satisfactorily. The Company ensures to keep the customer informed loop throughout the entire process of complaint resolution and focus on resolving customer complaints within five working days, which includes calling the customer within four hours, connecting with the customer within two days, and providing the final resolution to the customer. The Company also maintains multiple points of communication with the customer, that is through SMS/Email/WhatsApp, to keep the customer informed of all actions taken on the complaint.

**2. Turnover of products and / services as a percentage of turnover from all products / service that carry information about:**

|                                                             | As a percentage to total turnover |
|-------------------------------------------------------------|-----------------------------------|
| Environmental and social parameters relevant to the product | 100                               |
| Safe and responsible usage                                  | 100                               |
| Recycling and / or safe disposal                            | 100                               |

**3. Number of consumer complaints in respect of the following:**

|                                | FY 2024-25                                                       |                                           | Remarks | FY 2023-24              |                                           | Remarks |
|--------------------------------|------------------------------------------------------------------|-------------------------------------------|---------|-------------------------|-------------------------------------------|---------|
|                                | Receive during the year                                          | Pending resolution at the end of the year |         | Receive during the year | Pending resolution at the end of the year |         |
| Data privacy                   | No complaints have been received under the following categories. |                                           |         |                         |                                           |         |
| Advertising                    |                                                                  |                                           |         |                         |                                           |         |
| Cyber-security                 |                                                                  |                                           |         |                         |                                           |         |
| Delivery of essential services |                                                                  |                                           |         |                         |                                           |         |
| Restrictive Trade Practices    |                                                                  |                                           |         |                         |                                           |         |
| Unfair Trade Practices         |                                                                  |                                           |         |                         |                                           |         |
| Other                          | 0                                                                | 0                                         |         | 0                       | 0                                         |         |

**4. Details of instances of product recalls on account of safety issues:**

|                   | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls | 0      | Not applicable     |
| Forced recalls    | 0      | Not applicable     |

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, the Company has a policy on cyber security and risk related to data privacy, which is available on the Company's website at <https://everestkanto.com/wp-content/uploads/2022/12/Data-Privacy-Policy.pdf>

**6. Provide detail of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

Not applicable.

**7. Provide the following information relating to data breaches:**
**a. Number of instances of data breaches**

The Company has not had any known incident data breaches during the reporting financial year.

**b. Percentage of data breaches involving personally identifiable information of customers**

Nil

**c. Impact, if any, of the data breaches**

Nil

**Leadership Indicators**
**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

The platforms used for the information are Website, Integrated Annual Report, Social Media platforms and Media advertisement / publications. Information relating to all the products and services provided by the Company are available on the Company's website at <https://everestkanto.com/portfolio>

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and / or services.**

The Company adheres to relevant regulatory requirements by disclosing information to its stakeholders on the safe and responsible usage of products.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Not applicable.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes / No / Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes / No)**

Yes, the Company ensures that all the information as required to be displayed on the product labels as per the applicable rules and regulations are properly displayed. Further, product information is available in the Product Information Sheet and on the website of the Company.

## MANAGEMENT DISCUSSION AND ANALYSIS – FY25

### ➤ FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements identified by words like ‘plans’, ‘expects’, ‘will’, ‘anticipates’, ‘believes’, ‘intends’, ‘Projects’, ‘estimates or other words of similar meaning’. All statements that address expectations or projections about the future, including, but not limited to the Company’s strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realised. The Company’s actual results, performance or achievements could thus differ materially from those projected in any forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

### ➤ ECONOMIC OVERVIEW

#### • Global Economy

The global economy is navigating a complex landscape marked by heightened trade tensions and policy uncertainties. Global growth is projected at 2.8% for 2025, a downward revision from earlier estimates, primarily due to the resurgence of protectionist trade policies and escalating tariffs between major economies. These developments have disrupted global supply chains and dampened investor confidence, leading to a more cautious economic environment.

Advanced economies are experiencing a slowdown, reflecting the impact of increased tariffs and policy unpredictability. Emerging markets, while still contributing to global growth, face challenges from tighter financial conditions and reduced external demand. Slower industrial output, weakening global trade volumes, and lingering inflationary pressures in some regions are also weighing on sentiment. Coordinated policy actions, structural reforms, and targeted fiscal support will be critical to restore growth momentum and ensure a more stable global outlook.

#### • Indian Economy

India’s economy is projected to maintain its strong growth trajectory in 2025-26, with GDP expected to expand by 6.5%, reinforcing its position as one of the fastest-growing major economies. This growth is driven by robust domestic demand, continued infrastructure development, and rising manufacturing and services sector activity. The government’s continued focus on capital expenditure and digitalisation is attracting both domestic and foreign investments, further bolstering economic momentum. Looking ahead, India’s growth outlook remains promising, supported by moderating

inflation and corporate deleveraging, which is paving the way for a renewed capex cycle. While trade may face some pressure due to global uncertainties, the services sector is expected to remain a key pillar of stability. With strategic efforts to enhance private sector participation, deepen capital markets, and maintain macroeconomic stability, India is well-positioned to navigate external headwinds and steadily progress towards becoming a \$7 trillion economy by 2031 – emerging as the world’s third-largest economy.

*Source: CRISIL Report*

### ➤ INDUSTRY SCENARIO

India’s natural gas sector is witnessing a structural transformation, underpinned by policy ambition, infrastructure expansion, and the growing role of clean energy in the country’s development agenda. The government has set a target to increase the share of natural gas in the primary energy mix from around 6% in 2022 to 15% by 2030. This shift is being supported by investments in pipeline connectivity, regasification capacity, and city gas distribution networks—creating an enabling ecosystem for a broader range of gas applications across industries and households.

CNG has emerged as a prominent growth lever within the broader natural gas segment, particularly in urban transportation. With over 7,400 stations operational as of 2024—up nearly fourfold since 2019—and expansion plans covering 98% of the population through 307 licensed geographical areas, the CNG network is scaling rapidly. Ambitious targets to reach 18,300 stations by 2032 reflect the long-term vision for gas-based mobility. Simultaneously, the integration of emerging fuels like compressed biogas (CNG) and growing interest in CNG for long-haul and industrial applications are further expanding the natural gas footprint.

Beyond transportation, natural gas continues to gain traction as a cleaner fuel alternative across various industrial segments—including manufacturing, chemicals, and food processing—driven by emission norms and fuel-switching imperatives. These sectors rely heavily on reliable, high-pressure storage and distribution solutions, strengthening the relevance of cylinders as a critical enabler in the value chain. India’s “one nation, one gas grid” initiative, which aims to extend the pipeline network to 35,200 km by 2030, along with rising CNG import capacity, is expected to unlock demand from previously underserved regions.

Despite external challenges such as global price fluctuations and supply-side disruptions, the gas sector remains resilient and forward-looking. Companies are adopting new technologies, optimising logistics, and developing solutions to support the growing diversity of gas usage. As demand accelerates across CNG, industrial gases, and alternate fuel

blends, the need for robust and high-quality cylinders for safe and efficient storage and transportation is becoming more pronounced.

Cylinders continue to be indispensable across a wide range of applications—from mobility and industry to healthcare and energy. As India's energy transition gathers pace, the role of cylinders is evolving beyond storage, becoming integral to the nation's clean energy infrastructure. With supportive policy, expanding use cases, and infrastructure momentum, the outlook for the cylinder industry remains strongly positive.

## ➤ GASIFICATION OF THE INDIAN ECONOMY

- Target to increase share of natural gas in energy mix from 6.7% to 15% by 2030;
- Approximately US \$ 67 billion investment in the Indian Gas Sector over the next 5-6 years;
- City Gas Distribution (CGD) rollout update: target to achieve 100% city gas coverage by 2030;
- Introduction of a unified tariff structure for gas pipelines to promote a more integrated and accessible gas market;
- National Green Hydrogen Mission aims to make India a global hub for Green Hydrogen;
- Planned growth in the number of CNG stations to 17,500 stations by 2030;
- Government policies supporting public-private partnerships (PPPs) to accelerate infrastructure development in the gas sector.

*Source: Ministry of Petroleum and Natural Gas, Government of India; Industry News Article*

## ➤ DOMESTIC TRENDS

The Indian government has announced a substantial investment of USD 67 billion over the next six years to expand and modernise the natural gas sector. The objective is to raise natural gas consumption to 500 MMSCMD by 2030 while promoting price stability and ensuring broader accessibility. To enable this transition, a range of policy and regulatory interventions have been introduced, focusing on infrastructure, access, and long-term energy security.

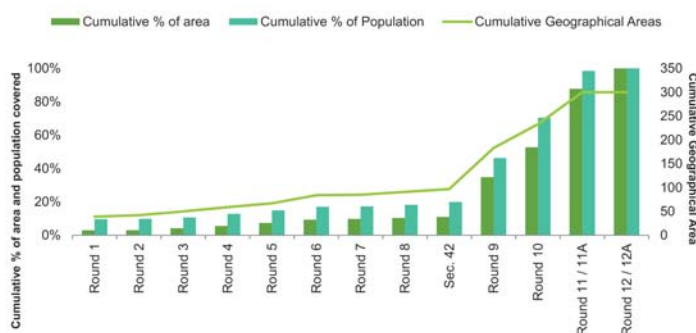
One of the major growth drivers is the rapid expansion of City Gas Distribution (CGD) networks, complemented by initiatives like the National PNG Drive. These efforts aim to accelerate the use of natural gas in both residential and industrial applications. The number of CNG stations has increased fourfold since 2019, reaching approximately 7,400 by 2024, with a target of over 18,300 stations by 2032. With licenses awarded across 307 Geographical Areas, the CGD network now reaches nearly 98% of the country's population—demonstrating the scale of gas infrastructure rollout.

In parallel, collaborations with state governments and initiatives by the Petroleum and Natural Gas Regulatory

Board (PNGRB)—including the formation of expert committees—underscore the focus on enhancing safety, consumer protection, and operational efficiency. These reforms are aligned with the broader goal of increasing the share of natural gas in India's energy mix to 15% by 2030.

While infrastructure and policy momentum remain strong, structural challenges persist. India continues to rely on imports to meet nearly half of its natural gas demand, highlighting the importance of ramping up domestic production. Strategic investments in deepwater exploration, coal bed methane (CBM), and LNG regasification infrastructure will be key to supporting the sector's long-term viability. As the availability and use of natural gas scale up, the demand for robust, high-pressure cylinders—particularly for CNG and industrial gas applications—is expected to rise in tandem, reinforcing the role of cylinder manufacturers in India's clean energy and industrial growth journey.

**Geographical Coverage of CGD connection in India by bidding round, 2008-2024**



*Source: IEA analysis based on data from PNGRB*

## • CNG

Compressed Natural Gas (CNG) vehicles continue to gain momentum in India, driven by their environmental benefits and cost-effectiveness over conventional petrol and diesel vehicles. As one of the world's largest CNG markets, India is accelerating its shift toward cleaner fuel alternatives—supported by government incentives, expanding infrastructure, and a growing range of CNG-compatible models from leading automakers. Adoption of CNG vehicles aligns with national efforts to curb carbon emissions and combat urban air pollution. As of mid-2024, India had approximately 7.7 million CNG-powered vehicles on the road, including passenger cars, buses, and three-wheelers, with demand projected to remain strong through 2030.

The rapid expansion of fuelling infrastructure is central to this growth. As of mid-2024, India had over 7,000 operational CNG stations—a nearly fourfold increase since 2019. This momentum is being fuelled by City Gas Distribution (CGD) networks, backed by both public and private sector investments. Under ongoing CGD

bidding rounds, companies have committed to developing over 18,300 new CNG stations by 2032, while the government is targeting 17,500 stations by 2030. To meet these targets, deployment rates will need to accelerate by nearly 60% annually through 2030, compared to growth seen between 2020 and 2024.

Currently, the distribution remains concentrated—Gujarat, Maharashtra, Uttar Pradesh, Delhi, and Haryana together account for 56% of all stations—highlighting the need to bridge regional gaps to unlock pan-India adoption.

Gas cylinders play an indispensable role in enabling CNG vehicle operations by safely storing and transporting compressed gas under high pressure. These cylinders must adhere to stringent safety and performance standards, ensuring reliability across a variety of vehicle platforms. In parallel, the demand for CNG cascades—large storage systems comprising interconnected cylinders—has risen significantly with the rollout of new fuelling stations. Cascades ensure consistent gas supply and uninterrupted service at CNG outlets. With the expansion of CGD infrastructure and rising vehicle volumes, the demand for durable, high-performance cylinders and cascades is expected to increase steadily.

Looking ahead, India's CNG ecosystem is poised for sustained growth, supported by long-term infrastructure investments, favourable policy, and tightening emission norms. An important development is the mandatory blending of Compressed Biogas (CBG) with CNG, beginning with a 1% requirement in FY2025-26 and scaling up to 5% by FY2028-29. This initiative is expected to reduce reliance on imported LNG while enhancing fuel sustainability. While regulatory frameworks are in place, on-ground implementation of CBG blending remains at an early stage and will require continued efforts to scale. As vehicle volumes rise, fuelling networks deepen, and cleaner alternatives gain policy traction, CNG will continue to be a key pillar in India's sustainable mobility transition—further reinforcing the vital role of high-quality gas cylinders in enabling this shift.



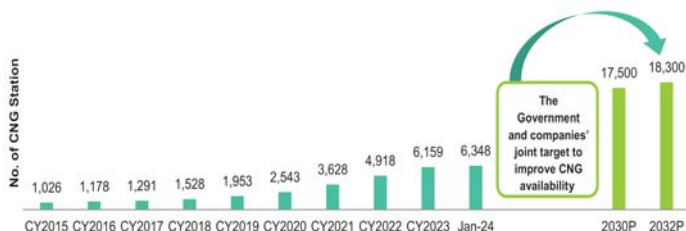
#### Compressed Biogas

Compressed Biogas (CBG) is emerging as a vital component of India's clean energy transition, supporting the country's commitment to achieving Net Zero emissions by 2070. Government-led initiatives such as the Sustainable Alternative Towards Affordable Transportation (SATAT) programme and the CBG-CGD Synchronisation Scheme are playing a key role in scaling up CBG production and integrating it with the existing gas distribution infrastructure. The phased Compressed Biogas Blending Obligation (CBO) mandates blending CBG with Compressed Natural Gas (CNG) and Piped Natural Gas (PNG), with targets rising to 5% by FY2028-29. These policy measures are expected to attract investments of approximately ₹ 37,500 crore (~USD 4.46 billion) and facilitate the establishment of over 750 CBG projects by FY2028-29. As natural gas demand continues to grow, CBG is set to become a crucial domestic alternative, reducing reliance on imports and advancing India's broader decarbonisation goals.

Gas cylinders play an essential role in the CBG value chain by ensuring the safe, high-pressure storage and transport of biogas from production centres to end users. As CBG production scales—particularly in rural and semi-urban regions—demand for durable, high-performance cylinders is expected to rise. Cylinder-based distribution models, similar to those used in LPG, are anticipated to support clean cooking initiatives and decentralised energy access. As infrastructure develops and CBG adoption grows, the role of gas cylinders will become increasingly critical to the success of India's biogas ecosystem.

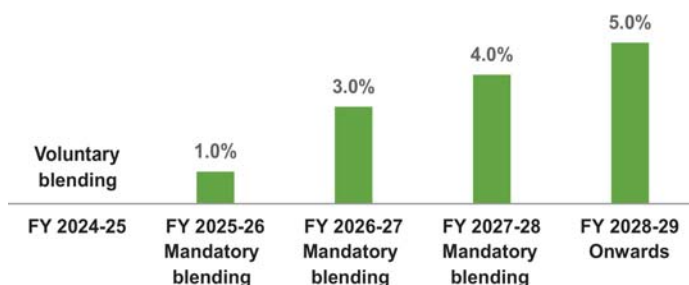
The phased implementation plan is as follows:

Trend in CNG fuelling stations across the country



Source: Ministry of Petroleum & Natural Gas, Petrol planning & Analysis Cell (PPAC)

Compressed Biogas Blending Obligation

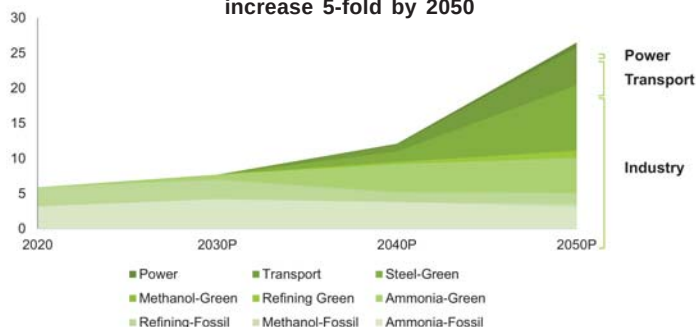


Source: World Biogas Association, India Policy and Market Briefing 2024

## • Green Hydrogen

Green Hydrogen is rapidly emerging as a key pillar in India's evolving energy landscape. As the country steps up efforts to reduce its carbon footprint, Green Hydrogen offers a clean, scalable alternative to conventional fossil fuels. Its adoption supports India's broader sustainability objectives and aligns with global decarbonisation commitments. The government has launched ambitious initiatives to drive Green Hydrogen deployment across transportation, industry, and energy storage sectors. This transition is being propelled by the dual imperative of lowering emissions and reducing dependence on imported energy, thereby strengthening long-term energy security.

Hydrogen demand in India expected to increase 5-fold by 2050



Source: The Energy and Resources Institute(TERI)

Gas cylinders play an essential role in the Green Hydrogen ecosystem by enabling safe storage and transportation of the highly flammable gas. Given hydrogen's unique properties, storage solutions must meet rigorous safety standards, delivering high strength, leak prevention, and long-term reliability. Advances in cylinder technology, particularly in lightweight composite materials, are further enhancing the safety, efficiency, and commercial viability of hydrogen transport and storage. As the hydrogen economy evolves, the need for robust, high-performance storage solutions will grow in parallel with infrastructure development and end-use adoption.

## • Industrial Gases

India's industrial sector continues to witness steady expansion, supported by strong manufacturing activity, infrastructure development, and favourable macroeconomic fundamentals. In tandem with this growth, the demand for industrial gases is rising significantly across core sectors. Gases such as oxygen, hydrogen, nitrogen, and carbon dioxide are seeing increased application in industries including steel, chemicals, energy transition technologies, healthcare, and precision manufacturing.

Gas cylinders remain integral to this ecosystem, enabling the safe storage, handling, and transportation

of these essential gases while maintaining high reliability and safety standards across diverse industrial use cases. As demand evolves—with a growing emphasis on cleaner production methods, decarbonisation, and advanced manufacturing—the need for durable, high-performance cylinder solutions will continue to grow. Going forward, gas cylinders will play a pivotal role in supporting industrial productivity, accelerating the clean energy shift, and advancing India's broader sustainable growth agenda.

## • Supply to Medical Establishments:

Medical gas supply systems form an essential part of modern healthcare infrastructure, facilitating the safe and efficient delivery of specialised gases across hospitals and clinical facilities. These systems distribute vital gases—including oxygen, medical air, nitrous oxide, nitrogen, carbon dioxide, medical vacuum, and anaesthetic gases—across a range of care settings such as operating theatres, intensive care units, emergency departments, general wards, and recovery areas.

With the expansion of healthcare infrastructure and an increasing emphasis on critical care capabilities, demand for medical gases, cylinders, and related equipment is expected to rise steadily. Gas cylinders are central to this ecosystem, ensuring the reliable storage and transport of medical gases while maintaining stringent safety and quality standards. Oxygen cylinders, in particular, are indispensable for emergency interventions and life-support systems, enabling uninterrupted delivery of life-saving care. By providing a dependable source of critical gases at the point of care, medical gas cylinders support the seamless functioning of healthcare facilities and enhance their ability to respond to evolving patient needs.

## • Defence

India's evolving defence capabilities, shaped by shifting global security dynamics and increasing strategic investments, are driving a significant rise in the demand for industrial gases such as oxygen, nitrogen, and hydrogen. These gases are integral to the manufacturing, maintenance, and operation of advanced defence equipment—including aircraft, naval vessels, combat vehicles, and missile systems—supporting critical applications such as welding, cutting, and heat treatment.

Gas cylinders are indispensable in various specialised defence applications. In submarines, for instance, they store oxygen for life support and compressed gases for buoyancy control, facilitating precise depth adjustments. Cylinders also play a key role in supporting safety systems, including emergency breathing apparatus and fire suppression units. As defence technology advances, particularly with the

deployment of sophisticated drones, unmanned systems, and modern missile platforms, the need for high-performance, reliable gas storage solutions continues to grow. Cylinders remain vital in ensuring operational safety, system efficiency, and mission readiness across India's defence landscape.

- **Fire Safety Equipment and Fire Suppression Systems:**

Fire safety and suppression systems are essential for mitigating fire-related risks across diverse settings, including industrial plants, commercial buildings, data centres, and high-risk infrastructure. These systems utilise various extinguishing agents, such as water, foam, dry chemicals, and inert gases like carbon dioxide, tailored to specific hazard profiles and response requirements.

Gas cylinders serve as a critical component in fire suppression systems, storing and delivering gaseous agents with high reliability and precision. Their performance is especially crucial in environments where electrical or sensitive equipment precludes the use of water-based solutions. As fire safety regulations become more stringent and fire risk profiles grow more complex, demand for durable, efficient, and safety-compliant cylinders continues to increase. Cylinders play a central role in ensuring that suppression systems activate effectively during emergencies, minimising damage and safeguarding lives and assets.

➤ **EKC'S BUSINESS FRAMEWORK**

Established in 1978, Everest Kanto Cylinder Limited (EKC) is a leading clean energy solutions provider and a global manufacturer of seamless steel gas cylinders. With over four decades of experience, the Company has built a strong reputation for delivering high-quality, high-pressure gas storage solutions across a wide range of end-user industries.

- EKC operates two state-of-the-art manufacturing facilities in India—located in Tarapur (Maharashtra) and Kandla SEZ (Gujarat)—as well as international production units in the Jebel Ali Free Zone (Dubai) and Pittsburgh, Pennsylvania (USA). Together, these facilities offer a combined annual production capacity of over 1.5 million cylinders, enabling EKC to serve both domestic and global markets efficiently.
- The Company's product portfolio includes industrial, CNG, and jumbo cylinders designed for the high-pressure storage of gases such as oxygen, hydrogen, nitrogen, argon, helium, and air. These cylinders are used in critical applications across sectors such as manufacturing, fire safety and suppression, healthcare, aerospace and defence, and the automotive industry, serving a wide and diversified customer base.
- EKC's strong market position is supported by its substantial share in the domestic market and a well-established global presence. The Company is well-positioned to benefit from rising demand for gases across industrial and mobility

segments, driven by economic growth and the global transition toward cleaner energy. Leveraging its advanced manufacturing capabilities, technical expertise, and commitment to quality and safety, EKC continues to maintain strong, long-term relationships with leading clients worldwide.

➤ **GLOBAL OPERATIONS**

- **Dubai**

EKC International FZE, a wholly owned subsidiary of Everest Kanto Cylinder Limited, is strategically located in the Jebel Ali Free Zone, Dubai. Since its establishment in 2004, the facility has evolved into a comprehensive manufacturing hub, producing a wide array of high-pressure gas storage solutions. These include industrial gas cylinders, CNG cylinders, jumbo tubes, cascades, multiple element gas containers (MEGCs), and advanced composite cylinders.

The Dubai plant serves as a pivotal export center, catering to markets across Europe, Latin America, the USA, the CIS, and Africa. Its product portfolio supports diverse sectors such as automotive, healthcare, fire safety, and emerging hydrogen energy applications. The facility's capabilities are bolstered by rigorous R&D and quality assurance protocols, ensuring adherence to international standards and certifications.

- **USA**

In the United States, EKC operates through its subsidiary, CP Industries Holdings, Inc., based in McKeesport, Pennsylvania. CP Industries is renowned for its expertise in manufacturing large seamless steel pressure vessels. The company's offerings encompass ground storage systems, mobile gas transport solutions, onboard vehicle cylinders, and custom-engineered vessels tailored for industrial gases, alternative fuels, and defense applications.

CP Industries' products are integral to various sectors, including industrial gas producers, the natural gas alternative fuel industry, chemical and petrochemical processing facilities, and defence contractors. The facility's strategic location and advanced manufacturing capabilities enable it to meet the stringent requirements of both domestic and international clients.

➤ **STRENGTHS**

- **Established Market Leadership in India**

Since pioneering the high-pressure seamless cylinder industry in India in 1978, EKC has capitalised on its first-mover advantage to establish a dominant position in the domestic market. Long-standing customer relationships, a broad distribution network, and an efficient supply chain continue to reinforce its leadership as India's largest manufacturer of gas cylinders.

- **Robust Manufacturing Infrastructure**

EKC operates cutting-edge manufacturing facilities across India, the UAE, and the United States. The Company's plants adhere to stringent international and domestic standards, including ISO, EN, and IS certifications, ensuring consistent product quality and compliance. This geographically diverse production footprint enables EKC to cater effectively to a wide spectrum of global customer requirements.

- **Global Recognition and Reach**

EKC's international presence extends to over 25 countries, spanning key markets in Southeast Asia, the Middle East, the USA, Europe, South America, and the CIS region. The Company's adherence to global quality benchmarks, supported by reliable logistics, has positioned its products competitively in international markets and fostered a reputation for excellence.

- **Experienced Management Team**

The Company is led by a seasoned management team with deep domain expertise and long-standing association with EKC. Their strategic vision and operational acumen have been instrumental in driving EKC's sustained growth and market-leading position across multiple geographies.

- **Focus on Technological Innovation**

EKC continues to invest in technological advancement to enhance safety, performance, and efficiency. In India, it is expanding into the development of Type 3 cylinders, which incorporate a composite wrap over a metal liner to reduce weight while enhancing safety. In the US, its subsidiary CP Industries has established expertise in Type 4 composite cylinders, made entirely from advanced materials. While currently cost-prohibitive for the Indian market, EKC is well-positioned to introduce this technology domestically as economic viability improves.

- **Diverse Product Portfolio**

The Company offers a comprehensive range of products, from compact industrial cylinders to large jumbo cylinders and next-generation composite cylinders, spanning capacities from 1 litre to 3,000 litres. This diverse product mix allows EKC to serve varied applications across sectors such as industrial manufacturing, automotive, medical, defence, and fire safety.

- **Established Long-Term Relationships**

EKC's longstanding client relationships are a testament to its consistent product quality and safety track record. Given the rigorous approval processes and critical use of gas cylinders in high-pressure applications, reliability is a non-negotiable requirement. EKC's commitment to quality has enabled it to retain the trust of clients in high-stakes sectors over decades.

- **Strong Financial Foundation**

EKC's near net-debt-free balance sheet underpins its financial stability and operational resilience. This strong financial position allows the Company to invest confidently in capacity expansion, R&D, and strategic initiatives, while maintaining agility in a dynamic business environment. It also provides a solid foundation for capturing emerging growth opportunities and enhancing shareholder value.

➤ **CHALLENGES, RISKS AND CONCERNS**

- **CNG Demand Sensitivity**

The adoption of CNG vehicles remains vulnerable to fluctuations in natural gas prices. Significant increases in gas prices could erode CNG's cost advantage over conventional fuels such as petrol and diesel, potentially affecting consumer uptake and slowing market expansion. While CNG remains an environmentally favourable option, price volatility may temporarily dampen demand. That said, the Indian government continues to promote CNG adoption through fiscal incentives and favourable policy measures to ensure sustained growth in the segment and support related industries such as gas cylinder manufacturing.

- **Raw Material Price Volatility**

The Company's operations are exposed to the risk of rising input costs, particularly seamless steel tubes, which constitute a major raw material. Fluctuations in steel prices driven by global supply-demand dynamics and trade conditions can impact profitability. EKC actively manages this risk through long-term supplier relationships, diversification of sourcing, and vigilant monitoring of domestic and international pricing trends to ensure continuity and cost efficiency.

- **Competitive Intensity**

Despite its strong market position, EKC faces increasing competition from domestic players and imports. This intensifying landscape may exert pressure on pricing and margins. EKC continues to leverage its strengths—established customer relationships, high-quality standards, and innovation capabilities—to differentiate its offerings and reinforce its leadership in both domestic and global markets.

- **Technological Shifts and Innovation Pressure**

Technological advancements in cylinder manufacturing present both opportunities and challenges. The high capital intensity required to adopt and scale new technologies, such as advanced composites, can strain resources and delay commercial viability, especially in cost-sensitive markets. EKC addresses this by investing in R&D, adopting a phased innovation strategy, and staying ahead of industry trends to ensure continued product relevance and competitiveness.

### Foreign Exchange Exposure

Given its reliance on imported raw materials priced in foreign currencies, EKC is exposed to currency exchange rate fluctuations. Adverse movements can impact procurement costs and profitability. The Company's treasury function proactively monitors currency trends and evaluates hedging mechanisms to manage exposure, in line with its overall financial risk management framework.

### Risk of Transition to Electric Vehicles

The increasing penetration of electric vehicles (EVs) presents a long-term structural shift that may impact demand for gas-powered vehicles and associated cylinder applications. However, several systemic challenges continue to temper widespread EV adoption. These include high upfront costs, limited charging infrastructure, and range anxiety. Additionally, battery degradation over time adversely affects vehicle performance and significantly lowers resale value. The environmental impact of mining rare earth metals for battery production—such as lithium, cobalt, and nickel—raises further concerns, especially around sustainability and ethical sourcing. In contrast, the Indian government's multi-fuel strategy promotes a balanced and inclusive approach, supporting both electric and gas-based mobility solutions. Natural gas remains a viable, low-emission option, while the growing emphasis on compressed biogas (CBG), backed by blending mandates, adds another sustainable dimension to clean transportation. Together, these efforts help safeguard the relevance of CNG and biogas fuels, reinforcing sustained demand for gas storage cylinders and supporting India's long-term energy transition.

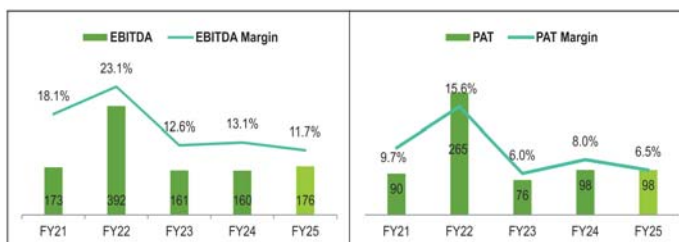
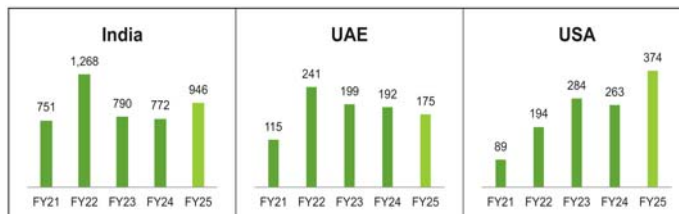
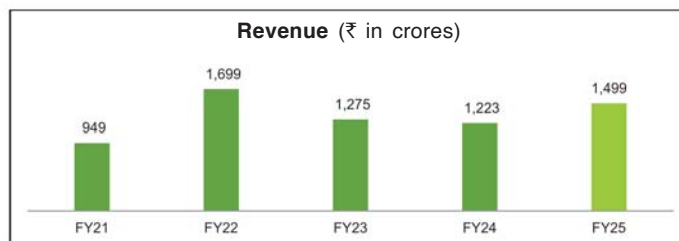
### Litigation and Compliance Risks

As a global enterprise, EKC is subject to legal and regulatory risks, including litigation arising from commercial, contractual, or employment-related matters. Although such instances may be infrequent or without merit, litigation can lead to financial liabilities, reputational concerns, and diversion of management attention. The Company maintains a robust legal and compliance framework to manage disputes and mitigate potential impacts.

## FINANCIAL AND OPERATIONAL PERFORMANCE

The discussions in this section relate to the consolidated, Rupee-denominated financial results pertaining to the year ended March 31, 2025. The financial statements of the Company and its subsidiaries (collectively referred to as 'EKC' or 'the Company') are prepared in accordance with the Indian Accounting Standards (referred to as 'Ind AS') prescribed under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, as amended from time to time. Significant accounting policies used in the preparation of the financial statements

are disclosed in the notes to the consolidated financial statements.



FY2025 marked a year of steady progress and operational resilience for EKC. Building on the recovery achieved in FY2024, the Company delivered improved performance across key segments, driven by robust demand in the first half of the year. The CNG segment continued to anchor the business, contributing more than half of the total revenues. Despite persistent pressures in some higher-margin categories, the overall margin profile strengthened on a year-on-year basis. The industrial segment also maintained a consistent performance, further reinforcing the Company's consolidated financial position.

- On a standalone basis, EKC reported revenue of ₹ 946 crores in FY2025, reflecting a growth of 23% over the previous year. EBITDA stood higher at ₹ 101 crores as compared to last year, translating into a lower margin of 10.7% as compared to last year, while profit after tax (PAT) came in at ₹ 53 crores at par with last year.
- On a consolidated basis, revenues stood higher at ₹ 1,499 crores, supported by contributions from domestic and international operations. Consolidated EBITDA was ₹ 176 crores, with a margin of 11.7%, and PAT ₹ 98 crores.
- Segment-wise, the CNG business continued to be the largest contributor, generating revenues of ₹ 588 crores, accounting for 64% of the total. The industrial segment followed with ₹ 310 crores (34%), while the jumbo cylinder business contributed ₹ 18 crores, representing 2% of the overall revenue mix.

**The following table gives an overview of the Consolidated Financial Results of the Company**

(₹ in crores)

| Particulars                                                                        | FY24  | FY25         |
|------------------------------------------------------------------------------------|-------|--------------|
| Income from Continuing Business Operation                                          | 1,223 | <b>1,499</b> |
| Earnings before interest, tax, depreciation and amortization (before other income) | 160   | <b>176</b>   |
| Profit Before Tax (PBT)                                                            | 120   | <b>130</b>   |
| Profit after Tax from continuing operation                                         | 98    | <b>98</b>    |

#### • DIVIDEND

For FY 2024-25, the Board of Directors recommended a dividend of ₹ 0.70/- per share. For details on dividend distribution policy, please refer to the Company's website at EKC – Dividend Distribution Policy.

#### ➤ OUTLOOK

EKC remains confident in its long-term growth prospects across both domestic and international markets. The Company continues to strengthen its leadership in the high-pressure cylinder industry by expanding its global footprint, broadening its product portfolio, and advancing its technological capabilities.

The CNG segment remains central to EKC's business, and the outlook for this market in India is highly encouraging. The Indian government's sustained focus on expanding natural gas infrastructure, supported by fiscal incentives and reforms, is driving broader adoption of CNG vehicles. The planned investments over 2024–2030 is expected to significantly accelerate the development of the CNG distribution network, aligning with the country's goal of increasing the share of natural gas in its energy mix. Complementary policy measures, such as the Unified Tariff reforms by PNGRB, are further improving affordability and access, particularly in underserved geographies.

Biogas is another emerging opportunity. As India promotes waste-to-energy solutions and expands renewable energy access in rural areas, compressed biogas (CBG) is gaining relevance. EKC, with its expertise in cylinder technology, is well positioned to cater to this growing demand and support the transition to cleaner, decentralised energy alternatives.

Green hydrogen is also a key pillar of the Company's long-term strategy. With rising investments and global momentum

around hydrogen as a clean energy vector, EKC is actively contributing to this space. Its hydrogen cylinders, currently supplied in India, Dubai, and the U.S., are already playing a role in enabling the transition. India's target to become a major green hydrogen producer by 2030 presents significant opportunities for EKC to expand its presence in this fast-evolving segment.

To support future growth, the Company is executing major capacity expansions. The new manufacturing facility at Mundra will enhance domestic production, including lines for composite cylinders, while the Egypt plant will serve as a regional hub for the Middle East and Africa. These greenfield investments will provide added flexibility and scalability across CNG, hydrogen, and biogas product lines.

With a strong foundation and a clear strategic roadmap, EKC is well positioned to capitalise on the evolving energy landscape. Continued focus on innovation, sustainability, and global expansion will reinforce its industry leadership and drive long-term value creation for all stakeholders.

#### ➤ INTERNAL CONTROL SYSTEM

The Company has established an Internal Audit System that aligns with its size and business operations. At the beginning of each financial year, the Audit Committee defines the scope of work with the Internal Auditor, identifying key areas for verification. The Internal Auditor submits reports on a quarterly basis to the Audit Committee. EKC has also implemented robust internal controls to ensure operational efficiency, effective resource management, accurate and timely financial reporting, and compliance with applicable laws, rules, and regulations.

#### ➤ HUMAN RESOURCES AND INDUSTRIAL RELATIONS

At EKC, we understand that our workforce is fundamental to our growth and success, and therefore, we place a strong emphasis on human resources. Through various initiatives focused on employee productivity, training, and development, we align individual goals with the company's objectives. Our talent management framework is designed to identify and nurture employees with leadership potential, ensuring a future-ready workforce. This approach allows us to build a strong talent pool, empowering employees to contribute to the company's long-term growth and sustainability while fulfilling their career aspirations. As of March 31, 2025, EKC employs a dedicated team of 756 individuals who play a vital role in the Company's achievements.

## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's essential character is shaped by the very values of transparency, integrity, professionalism, accountability and overall customer satisfaction. The Company continuously endeavours to improve on these aspects. The Directors views Corporate Governance in its widest sense. The main objective is to create and adhere to a corporate culture of conscience and consciousness, transparency and openness and to develop capabilities to attain the goal of value creation.

The Board of Directors fully supports and endorses Corporate Governance practices as enunciated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including statutory enactments, modifications, and amendments, thereof (SEBI Listing Regulations), as applicable to the Company from time to time.

### 2. BOARD OF DIRECTORS

The Corporate Governance principles of the Company ensure that the Board remains informed, independent and involved in the Company and that there are ongoing efforts towards better Corporate Governance to mitigate "Non-Business" risks.

The Board provides leadership, strategic guidance, objective and its independent view to the Company's Management while discharging its responsibilities and ensures that the Management adheres to ethics, transparency and disclosures which ultimately serves the long-term goals of all its stakeholders along with achievement of Company's objectives and sustainable, profitable growth. The Board ensures that the Management is accountable for achieving the long-term goals of the Company and also ensures compliance of applicable statutes.

#### • Composition, Size of Board and Category of Directors:

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors, all of whom are eminent persons with considerable professional expertise and experience in business and industry, Finance, Management and Law. Your Company is managed and guided by a professional Board comprising 6 Directors, whose composition as on March 31, 2025 is given below:

- Two Promoters and Executive Directors: One Executive Chairman and One Managing Director;
- Four Non-Executive, Independent Directors including 2 Women Directors.

During the year, the composition of the Board of Directors was in conformity with the Regulation 17 of the SEBI Listing Regulations. Both Mr. Pushkar Khurana, Chairman and Executive Director and Mr. Puneet Khurana, Managing Director are liable to retire by rotation. All Independent Directors are not liable to retire by rotation. None of the

Directors on the Board holds directorship in more than ten public companies.

Consequent upon completion of the 2nd term of Mr. M. N. Sudhindra Rao, as Independent Director on the Board, he ceased to be Director of the Company with effect from June 3, 2024. Mr. Ramakrishnan Ramanathan was appointed as Independent Director in place of Mr. M. N. Sudhindra Rao with effect from June 3, 2024. Appointment of Mr. Ramakrishnan Ramanathan was confirmed by the Members at the 45th Annual General Meeting (AGM) of the Company held on August 30, 2024 (within 3 months of his appointment). The Directors at the Board Meeting held on May 23, 2025 has based on the recommendation of Nomination and Remuneration Committee and subject to approval of the Members at the ensuing Annual General Meeting (AGM), promoted Mr. Sanjiv Kapur, the Chief Financial Officer of the Company by appointing him as a Wholtime Director for a term commencing from May 26, 2025 to October 31, 2026. He shall continue to work as CFO and is designated as Wholtime Director and CFO of the Company. He is also a Key Managerial Personnel of the Company. The Members had at the 41st AGM reappointed Ms. Uma Acharya, Independent Director (DIN: 07165976) for the second term of 5 consecutive years with effect from May 26, 2020 up to the close of business hours on May 25, 2025. Consequent upon completion of her second term Ms. Uma Acharya will cease to be Director on the Board of the Company w.e.f. May 26, 2025. None of the Directors on the Board has attained the age of 75 years.

All the Independent Directors have confirmed that they satisfy the criteria prescribed for an independent director in Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Companies Act, 2013 (the Act). They have also confirmed their registration with the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs in compliance with the requirements of the Companies (Appointment and Qualifications of Directors) Rules, 2014. In terms of Regulation 25(8) of SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties. Further, the Company reiterates the same as they have fulfilled the required conditions of SEBI Listing Regulations and the Act and they are independent of the Management.

None of the Independent Directors serve as an Independent Director in more than 7 listed companies. The Independent Directors are appointed for a term of five years, subject to maximum of 2 terms of 5 years each or maximum up to the age of 75 years whichever is earlier. The Company has issued letter of appointment/reappointment to the Independent Directors in the manner as provided in the Act. The terms and conditions of their appointment/reappointment have been disclosed on the website of the Company.

Details of the Board of Directors (as on March 31, 2025) in terms of their directorships/memberships in committees of other public companies are as under:

| Sr. No. | Name of the Directors                                                              | Number of Directorships in other public Companies <sup>^</sup> | Number of Committees positions held in other public companies <sup>^^</sup> |             |
|---------|------------------------------------------------------------------------------------|----------------------------------------------------------------|-----------------------------------------------------------------------------|-------------|
|         |                                                                                    |                                                                | Member                                                                      | Chairperson |
| 1.      | Mr. Pushkar Khurana<br>Chairman and Executive Director<br>(DIN: 00040489)          | 1                                                              | Nil                                                                         | Nil         |
| 2.      | Mr. Puneet Khurana<br>Managing Director<br>(DIN: 00004074)                         | 2                                                              | Nil                                                                         | Nil         |
| 3.      | Mr. Ghanshyam Karkera<br>Non-Executive Independent Director (DIN: 00001829)        | 1                                                              | 2                                                                           | Nil         |
| 4.      | Ms. Uma Acharya<br>Non-Executive Independent Director (DIN: 07165976)              | 2                                                              | 1                                                                           | 1           |
| 5.      | Dr. Vaijayanti Pandit<br>Non-Executive Independent Director (DIN: 06742237)        | 7                                                              | 8                                                                           | 2           |
| 6.      | Mr. Ramakrishnan Ramanathan*<br>Non-Executive Independent Director (DIN: 03394401) | Nil                                                            | 1                                                                           | Nil         |

<sup>^</sup>Excluding Directorship on the Board of Private Limited Companies, Foreign Companies, Alternate Directorship, Companies under Section 8 of the Act.

<sup>^^</sup>Comprise Chairmanship/Membership in Board Audit Committee and Stakeholders' Relationship Committee.

\*Mr. Ramakrishnan Ramanathan was appointed as Independent Director of the Company with effect from June 3, 2024.

\$Mr. Sanjiv Kapur (DIN: 07576794) is appointed as Wholetime Director of the Company with effect from May 26, 2025. Resolution seeking approval of Members forms part of Notice of 46th AGM.

• **Directorships held in other Indian listed entities as on March 31, 2025:**

| Name of Directors     | Name of the Listed Company              | Category of Directorship           |
|-----------------------|-----------------------------------------|------------------------------------|
| Dr. Vaijayanti Pandit | Tata Teleservices (Maharashtra) Limited | Non-Executive Independent Director |
|                       | P N Gadgil Jewellers Limited            |                                    |
|                       | Mysore Petrochemicals Limited           |                                    |
| Ms. Uma Acharya       | Mysore Petro Chemicals Limited          | Non-Executive Independent Director |

Mr. Pushkar Khurana, Chairman and Executive Director; Mr. Puneet Khurana, Managing Director; Mr. Ghanshyam Karkera and Mr. Ramakrishnan Ramanathan, Independent Directors of the Company are not a Director of any other listed entity.

• **Number of Board Meetings held, the dates on which held and attendance:**

Minimum four pre-scheduled Board Meetings are held every year. Additional Meetings are held to address specific needs, if any, of the Company. During the Financial Year 2024-25, the Board of Directors met five times i.e. on May 24, 2024; August 13, 2024; November 14, 2024; February 12, 2025 and March 19, 2025. The maximum gap between any two consecutive meetings was less than one hundred and twenty days, as stipulated under Section 173(1) of the Act, Regulation 17(2) of SEBI Listing Regulations and Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

• **Details of Board of Directors and their attendance at Board Meetings and last Annual General Meeting (AGM):**

| Director                     | Category                                  | Attendance Particulars |          |                                                |
|------------------------------|-------------------------------------------|------------------------|----------|------------------------------------------------|
|                              |                                           | Board Meetings         |          | Attendance at Last AGM held on August 30, 2024 |
|                              |                                           | Held                   | Attended |                                                |
| Mr. Pushkar Khurana          | Promoter, Chairman and Executive Director | 5                      | 5        | Yes                                            |
| Mr. Puneet Khurana           | Promoter, Managing Director               | 5                      | 5        | Yes                                            |
| Mr. Ghanshyam Karkera        | Independent, Non-Executive                | 5                      | 5        | Yes                                            |
| Dr. Vijayanti Pandit         |                                           | 5                      | 5        | Yes                                            |
| Ms. Uma Acharya              |                                           | 5                      | 5        | Yes                                            |
| Mr. Ramakrishnan Ramanathan* |                                           | 5                      | 4        | Yes                                            |
| Mr. M. N. Sudhindra Rao*     |                                           | 5                      | 1        | NA                                             |

\*Consequent upon completion of 2nd term of 5 consecutive years Mr. M. N. Sudhindra Rao ceased to be Director of the Company with effect from June 3, 2024 and Mr. Ramakrishnan Ramanathan was appointed as Independent Director of the Company with effect from June 3, 2024.

• **Board Meetings and Procedures:**

The Board of Directors is the apex body constituted by the Members for overseeing the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the shareholders are being served. The Chairman, Managing Director and other Senior Managerial Personnel oversees the functional matters of the Company.

- Minimum four pre-scheduled Board meetings are held every year. The annual calendar of Board/Committee Meetings is agreed upon at the beginning of the year. Apart from the above, additional Board Meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, Resolutions are passed by circulation.
- The Meetings were held at the Registered Office of the Company situated at 204, Raheja Centre, Free Press Journal Marg, 214, Nariman Point, Mumbai 400 021. However, the Company also provide the facility for Video Conferencing to its Directors.
- As per Secretarial Standard-1 (SS-1) Notice of the Board/Committee Meetings, the Agenda and Notes on Agenda (other than if held by shorter notice) are circulated/uploaded on the digital meetings portal of the Company for the reference of all the Directors, at least 7 days in advance, in the defined Agenda format. All material information is incorporated in the agenda for facilitating meaningful discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is tabled before the meeting or uploaded on the digital meeting portal for reference of directors, with specific reference of the same in the agenda. Additional or supplementary item(s) on the agenda are taken up for discussion/decision with the permission of the Chairman/Independent Directors.

- The Board is briefed about finance, sales, marketing, major business segments and operations of the Company, global business environment, all business areas of the Company including business opportunities, business strategy and the risk management practices before taking on record the quarterly/annual financial results of the Company. Therefore, the Directors are familiarised from time-to-time with the business environments/scenario of the Company to enable them to take necessary decisions. All necessary information which includes but is not limited to the items mentioned in various Regulations of the SEBI Listing Regulations are placed before the Board of Directors. The Members of the Board are free to bring up any matter for discussions at the Board Meetings. Senior Management is invited to attend the Board Meetings as and when required, to provide additional inputs to the items being discussed by the Board.
- The information as required under Regulation 17(7) of the SEBI Listing Regulations is made available to the Board. In addition, all proposals of investments, divestments and decisions in respect of properties of the Company are placed before the Board for its consideration and appropriate decision in the matter. The annual budgets – Revenue, Capital as well as the Annual Operating Plans are presented in detail to the Directors and their valuable inputs/suggestions are taken and implemented. Similarly, actions in respect of suggestions made/decisions taken at Board/Committee Meetings are reported and reviewed regularly at subsequent Meetings by the Directors/Committee Members. Considerable time is spent by the Directors on discussions and deliberations at the Board/Committee Meetings and their active participation is reflected by the number of meetings held during the year and attended by the Directors.

- vi. The Board periodically reviews compliance of all laws applicable to the Company, based on the information/confirmation of compliances provided by the respective plant heads and HR at head office, including the steps taken, to rectify instances of non-compliances, if any.
- vii. The Minutes of the Board Meetings of unlisted subsidiary company forms part of the agenda of the Board Meetings. The Board periodically reviews the statement of significant transactions and arrangements entered by the unlisted subsidiary companies.
- viii. The Company Secretary records the minutes of the proceedings of each Board and Committee Meetings. The minutes of each Board/Committee Meetings are circulated in draft to all Directors for their confirmation within 15 days as specified under the SS-1. Suggestions received from directors are incorporated and accordingly revised draft minutes are circulated before being entered in the Minutes book. The minutes are entered in the Minutes Book within 30 days from conclusion of the concerned meeting.
- ix. Particulars of Senior Management Personnel (SMP) and changes since the close of previous financial year: Details of Senior Management Personnel(s) as on the date of Report are as follows:

| Sr. No | Name of SMP         | Designation                            |
|--------|---------------------|----------------------------------------|
| 1.     | Mr. Pushkar Khurana | Chairman and Executive Director        |
| 2.     | Mr. Puneet Khurana  | Managing Director                      |
| 3.     | Mr. Sanjiv Kapur    | Chief Financial Officer                |
| 4.     | Mr. Vinay Chopra    | VP-Accounts & Taxation                 |
| 5.     | Mr. Vishal Totla    | Company Secretary & Compliance Officer |
| 6.     | Mr. Pradeep Kurian  | VP-Marketing & Engg. Services          |
| 7.     | Mr. Vijay Wadia     | VP-Marketing & Sales                   |
| 8.     | Mr. Yogesh Poddar   | GM-Marketing & Sales                   |
| 9.     | Mr. Kedar Singh     | Plant Head-Kasez and Ratadiya          |
| 10.    | Mr. Raju Patil      | Plant Head-Tarapur                     |

\*Ms. Shubhangi Shinde, President - Accounts and Finance resigned with effect from March 1, 2025.

#### • **Role of Independent Directors:**

Independent Directors play a key role in the decision-making process of the Board as they approve the overall strategy of the Company and oversee performance of the Management. They are committed to act in the best interest of the Company and its stakeholders. The Independent Directors are professionals with expertise and experience in general corporate management, legal, public policy, finance, banking and other allied fields. This wide knowledge of their fields of expertise as well as the boardroom practices helps foster varied, unbiased, independent and experienced perspective. The Company is benefited immensely from their

inputs in achieving its strategic direction. In the opinion of the Board, the Independent Directors fulfils the criteria for independence and are independent of the Management.

#### • **Separate Meeting of Independent Directors:**

In accordance with the provisions of Schedule IV to the Act and Regulation 25 of the SEBI Listing Regulations, a separate meeting of the Independent Directors of the Company was held on March 19, 2025. All four Independent Directors were present at the meeting and reviewed and discussed:

- i. the performance of Non-Independent Directors, Independent Directors and the Board as a whole;
- ii. the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- iii. assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

#### • **Inter-se relationships among Directors:**

The Promoter Directors - Mr. Pushkar Khurana (Chairman and Executive Director) and Mr. Puneet Khurana (Managing Director) of the Company are sons of Late Mr. Prem Kumar Khurana, the then Promoter, Chairman & Managing Director of the Company and are related to each other as brothers.

Except the above, there are no inter-se relationships among the Directors. None of the Non-Executive Independent Directors holds any equity shares of the Company and have resigned during the year.

#### • **Familiarization Program for Independent Directors:**

All the Independent Directors inducted on the Board were given an orientation program about Company's business model, group structure, organization structure and such other areas. These programs also intend to improve awareness of the Independent Directors on their roles, rights, responsibilities towards the Company to enable them to make effective contribution and discharge their functions effectively, as a Board Member. The details on the Company's methodology of the Familiarization Program for IDs can be accessed at: EKC-FAMILIARISATIONPROGRAMME-FOR-INDEPENDENT-DIRECTORS.

#### • **Matrix setting out the skills/expertise/competence of Board of Directors:**

The Directors of your Company are from diverse fields and have expertise and long-standing experience and expert knowledge in their respective fields which are relevant and of considerable value for the Company's business growth. The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of the Company's business and sector(s) for it to function effectively are tabulated below:

| Core Skills / Expertise / Competencies                                        | Mr. Pushkar Khurana | Mr. Puneet Khurana | Mr. Ghanshyam Karkera | Dr. Vijayanti Pandit | Ms. Uma Acharya | Mr. Ramakrishnan Ramanathan |
|-------------------------------------------------------------------------------|---------------------|--------------------|-----------------------|----------------------|-----------------|-----------------------------|
| Leadership / Operational expertise                                            | ✓                   | ✓                  | ✓                     | ✓                    | ✓               | ✓                           |
| Strategic planning                                                            | ✓                   | ✓                  | ✓                     | ✓                    | ✓               | ✓                           |
| Sector/Industry Knowledge & Experience, Research & Development and Innovation | ✓                   | ✓                  | ✓                     | ✓                    | ✓               | ✓                           |
| Financial, Regulatory / Legal & Risk Management                               | ✓                   | ✓                  | ✓                     | ✓                    | ✓               | ✓                           |
| Corporate Governance                                                          | ✓                   | ✓                  | ✓                     | ✓                    | ✓               | ✓                           |

#### • Code of Conduct

The Board has adopted the Code of conduct and Ethics for all Directors and Senior Management of the Company and the same have been posted on the website of the Company. All the Board members and Senior Management of the Company have affirmed compliance with their respective Codes as on March 31, 2025. A declaration to this effect, signed by the Managing Director of the Company is annexed hereto. The Independent Directors have also confirmed compliance with the Code as prescribed in Schedule IV to the Act.

### 3. BOARD COMMITTEES

To enable better and focused attention on the affairs of the Company, pursuant to requirements of the Act and SEBI Listing Regulations, the Board of Directors have constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with approval of the Board and function within their respective Charters. These Committees play a pivotal role in the overall Management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform their duties entrusted by the Board. The Minutes of the Committee Meetings are placed before the Board for noting. The Board Level Committees are as under:

#### (i) AUDIT COMMITTEE

##### (a) Terms of Reference

The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and

regulatory requirements. The Committee's purpose is, inter alia, to oversee the accounting and financial reporting process of the Company, the audits of the Company's financial statements, the appointment, independence and performance of the statutory auditors, the performance of internal auditors and the Company's risk management policies etc.

The Audit Committee has been constituted under the provisions of Section 177 of the Act. The terms of reference, powers and role of Audit Committee are in accordance with Regulation 18(3) and Schedule II to the SEBI Listing Regulations read with Section 177(4) of the Act. The broad terms of reference/functions of Audit Committee are as under:

- Oversee the Company's financial reporting process and the disclosure of its financial information, to ensure that the financial statement and auditor's report is correct, sufficient and credible;
- Recommend the appointment, remuneration terms of appointment, reappointment and, if required, the replacement or removal of the auditors and the fixation of audit fees;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Reviewing, with the Management, the annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Section 134(3)(c) of the Act;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgement by Management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions;
  - Modified opinion(s)/Qualifications in the draft audit report;
- Reviewing, with the Management, the quarterly financial results and auditor's limited review reports before submission to the board for approval;
- Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue,

- etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- viii. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  - ix. Reviewing with the Management, performance of statutory and internal auditors, adequacy and effectiveness of internal control systems and processes;
  - x. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - xi. Discussion with Internal Auditors any significant findings and follow up there on;
  - xii. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  - xiii. Evaluation of internal financial controls and risk management systems;
  - xiv. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - xv. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;
  - xvi. To review the functioning of the Whistle Blower Mechanism, in case the same is existing;
  - xvii. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate; and
  - xviii. Scrutiny of inter-corporate loans and investments;
  - xix. Valuation of undertakings or assets of the company, wherever it is necessary;
  - xx. To investigate into any matter in relation to the items specified above or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the Company;
  - xxi. reviewing the utilization of loans and/ or advances from/investment by the holding company in the

subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;

- xxii. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- xxiii. Carrying out any other functions as may be stipulated by any law or regulation or any Government guideline or the Board of Directors, from time to time.

The audit committee mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. statement of significant related party transactions (as defined by the audit committee), submitted by Management;
3. management letters / letters of internal control weaknesses issued by the statutory auditors;
4. internal audit reports relating to internal control weaknesses; and
5. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. statement of deviations:
  - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

*(b) Composition, Name of the Members and Chairperson*

The composition of the Audit Committee is in accordance with the provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. The composition of the Audit Committee (up to May 25, 2025) is as under:

| Name of the Member          | Designation | Category                    |
|-----------------------------|-------------|-----------------------------|
| Mr. Ghanshyam Karkera       | Chairman    | Non-Executive, Independent  |
| Ms. Uma Acharya             | Member      | Non-Executive, Independent  |
| Mr. Ramakrishnan Ramanathan | Member      | Non-Executive, Independent  |
| Mr. Puneet Khurana          | Member      | Promoter, Managing Director |

Consequent upon completion of 2nd term of 5 consecutive years Mr. M. N. Sudhindra Rao as independent director, he ceased to be Member of the Audit Committee with effect from June 3, 2024. Mr. Ramakrishnan Ramanathan was appointed as Member of Audit Committee in his place with effect from June 3, 2024. All the members of the Audit Committee are financially literate, Chairman of the Audit Committee Mr. Ghanshyam Karkera, is a Chartered Accountant and has adequate knowledge, experience and expertise in accounts and finance and audit.

The Statutory Auditors, Internal Auditors and executives of Accounts & Finance Department attend the Meetings as invitees. The Statutory Auditors and the Internal Auditors are present at the Meetings for discussion on their broad findings. The Company Secretary is the Secretary to the Audit Committee. The Minutes are circulated and discussed at the Board Meetings.

(c) *Meetings of the Audit Committee*

Five meetings of the Audit Committee were held on May 24, 2024; August 13, 2024; September 10, 2024; November 14, 2024 and February 12, 2025 during the financial year ended March 31, 2025. The quorum of Audit Committee Meetings is two Members or one third of the Members, whichever is greater. Necessary quorum was present for all the Meetings of Committee. The gap between two Meetings did not exceed 120 days. Mr. Ghanshyam Karkera attended the last AGM of the Company as Chairman of Audit Committee. The Board of Directors has accepted all the recommendations made by Audit Committee from time-to-time. Attendance of each Member at the Audit Committee Meetings held during the year is as under:

| Name of Member              | No. of Committee Meetings |          |
|-----------------------------|---------------------------|----------|
|                             | Held                      | Attended |
| Mr. Ghanshyam Karkera       | 5                         | 5        |
| Ms. Uma Acharya             | 5                         | 5        |
| Mr. Ramakrishnan Ramanathan | 5                         | 4        |
| Mr. Puneet Khurana          | 5                         | 3        |
| Mr. M. N. Sudhindra Rao     | 5                         | 1        |

(ii) **NOMINATION & REMUNERATION COMMITTEE (NRC):**

(a) *Terms of Reference*

The Nomination & Remuneration Committee (NRC) has been constituted in accordance with the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations and it comprises of three Independent, Non-Executive Directors and one Promoter Executive Director. The terms of reference of NRC are:

- (i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- (ii) For every appointment of an independent director, NRC evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - (a) use the services of an external agencies, if required;
  - (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - (c) consider the time commitments of the candidates.
- (iii) Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- (iv) Devising a policy on diversity of Board of Directors;
- (v) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
- (vi) Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- (vii) recommend to the board, all remuneration, in whatever form, payable to senior management;
- (viii) While formulating the Policy, the Committee should ensure that-
  - the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
  - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short-term and long-term performance objectives appropriate to the working of the Company and its goals.

- (ix) Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by NRC.

*(b) Composition, Name of the Members and Chairperson (up to May 25, 2025)*

| Name of the Member    | Designation | Category                     |
|-----------------------|-------------|------------------------------|
| Ms. Uma Acharya       | Chairperson | Non-Executive Independent    |
| Mr. Ghanshyam Karkera | Member      | Non-Executive Independent    |
| Dr. Vaijayanti Pandit | Member      | Non-Executive Independent    |
| Mr. Pushkar Khurana   | Member      | Promoter, Executive Director |

Consequent upon completion of 2nd term of 5 consecutive years of Mr. M. N. Sudhindra Rao as independent director, he ceased to be Member of the NRC with effect from June 3, 2024. Dr. Vaijayanti Pandit was appointed as Member of NRC in his place with effect from June 3, 2024.

*(c) Meetings of the Nomination & Remuneration Committee and attendance of each member*

During the year under review, three meetings of the NRC were held on May 23, 2024; August 12, 2024 and March 19, 2025. The Minutes of NRC Meetings are circulated and noted by the Directors at Board Meetings. The quorum of NRC meeting is either two members or one-third of the members of the Committee, whichever is greater including at least one Independent Director. Managing Director is invited at the NRC Meetings as and when required. The Board of Directors has accepted most of the recommendations made by NRC from time-to-time. Ms. Uma Acharya attended the 45th AGM as the Chairman of NRC. Attendance of each Member at the NRC Meetings held during the year is as under:

| Name of Member          | Number of Audit Committee Meetings |          |
|-------------------------|------------------------------------|----------|
|                         | Held                               | Attended |
| Ms. Uma Acharya         | 3                                  | 3        |
| Mr. Ghanshyam Karkera   | 3                                  | 3        |
| Dr. Vaijayanti Pandit   | 3                                  | 2        |
| Mr. Pushkar Khurana     | 3                                  | 3        |
| Mr. M. N. Sudhindra Rao | 3                                  | 1        |

*(d) Performance Evaluation criteria for Independent Directors*

NRC has set the performance evaluation criteria for Independent Directors and have formulated the performance evaluation framework, which has been circulated to all the Directors. The factors that are

evaluated includes participation and contribution by a Director, commitment, efforts taken by Director to promote mutual trust and respect, assisting in implementing and enhancing corporate governance activities, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement.

*(e) Remuneration of Directors*

• **Nomination and Remuneration Policy**

In accordance with the requirements of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations 2015, the Board has formulated a Nomination and Remuneration Policy. The policy has been posted on the Company's website and the web link for the policy is [EKC-Policy-Nomination-Remuneration-Evaluation](#). The Nomination and Remuneration Policy of the Company considers various parameters like the performance of the Company, the current trends in the industry, the experience of the appointee(s), their past performance and other relevant factors for considering the remuneration payable to the Directors, Key Managerial personnel and other employees. The primary objective of the Policy is to provide a framework and set standards for the nomination, remuneration and evaluation of the Directors, Key Managerial Personnel and officials comprising of Senior Management. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management.

• **Remuneration of Directors**

**i. Remuneration to Non-Executive Independent Directors**

The Non-Executive Directors (NEDs) are paid remuneration by way of sitting fees and commission. The NEDs are paid Sitting Fees for each Meeting of the Board and/or Committee attended by them. The NEDs do not have any pecuniary relationship or transactions with the Company. The shareholders have at the 40th AGM held on September 30, 2019 approved payment of commission to NEDs of a sum not exceeding 1% per annum of the net profits of the Company calculated in accordance with the provisions of the Act for that particular financial year subject to maximum of ₹ 5 lakhs per NED. The aforesaid Resolution was for financial years commencing from April 1, 2019. Commission of ₹ 5 lakhs per NED for financial year 2024-25 will be distributed amongst the NEDs in accordance with the

directives given by the Board/NRC. Sitting Fees for attending the Board/Committee Meetings is as under:

| Meetings                                          | Fees per Meeting |
|---------------------------------------------------|------------------|
| Board Meeting                                     | ₹ 60,000         |
| Audit Committee Meeting                           | ₹ 60,000         |
| Nomination & Remuneration Committee Meeting       | ₹ 30,000         |
| Stakeholders Relationship Committee Meeting       |                  |
| Corporate Social Responsibility Committee Meeting |                  |
| Risk Management Committee Meeting                 |                  |
| Annual Independent Directors Meeting              |                  |

In respect of the financial year 2024-25, the sitting fees and commission paid/payable to the Non-Executive Directors are as detailed below:

(₹ in lakhs)

| Name                        | Sitting fees paid during the year 2024-2025 |                    | Commission for FY 2024-25 payable in June 2025 | Total |
|-----------------------------|---------------------------------------------|--------------------|------------------------------------------------|-------|
|                             | Board Meetings                              | Committee Meetings |                                                |       |
| Mr. Ghanshyam Karkera       | 3.00                                        | 4.50               | 5.00                                           | 12.50 |
| Dr. Vijayanti Pandit        | 3.00                                        | 2.40               | 5.00                                           | 10.40 |
| Ms. Uma Acharya             | 3.00                                        | 5.40               | 5.00                                           | 13.40 |
| Mr. Ramakrishnan Ramanathan | 2.40                                        | 3.30               | 4.15                                           | 10.70 |
| Mr. M. N. Sudhindra Rao     | 0.60                                        | 0.90               | 0.85                                           | 2.35  |

## ii. Remuneration to Executive Directors

The appointment / reappointment and remuneration of Executive Directors i.e. Chairman and Managing Director (MD) is governed by the recommendation of the NRC, Resolutions passed by the Board of Directors and Shareholders of the Company. The remuneration package of MD comprises salary, perquisites, allowances, contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the 45th AGM. Annual increments are linked to performance of the Company and as decided by the NRC and recommended to the Board for approval thereof. Directors had at their Meeting held on August 9, 2022, based on the recommendation of NRC, approved the payment of commission up to 1% of the net profit as per Section 198 of the Act to Mr. Pushkar Khurana, Chairman and

Executive Director of the Company from FY 2022-23. Accordingly, remuneration of Executive Directors is as under:

(₹ in lakhs)

| Name                | Salary | Perquisites and allowances including retiral benefits | Commission for FY 2024-25 payable in June 2025 | Total  |
|---------------------|--------|-------------------------------------------------------|------------------------------------------------|--------|
| Mr. Puneet Khurana  | 193.70 | 79.80                                                 | 50                                             | 323.50 |
| Mr. Pushkar Khurana | -      | -                                                     | 50                                             | 50.00  |

Remuneration paid to the Executive Directors (Promoters) of the Company is within the limit as specified under Section 197 of the Act and Regulation 17(6)(e) of SEBI Listing Regulations. As the terms of appointment/reappointment of Executive Directors were mentioned in the Notice of AGM, the Company has not entered any separate Service contracts with them. The remuneration terms of the executive directors do not have malus or claw back provisions. No severance fees is payable. The Company has not introduced any stock options for its Directors/employees.

## (iii) STAKEHOLDERS' RELATIONSHIP COMMITTEE (SRC)

### (a) Terms of Reference

Stakeholders' Relationship Committee (SRC) has been constituted as per the provisions of Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations. The terms of reference of the committee are:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

### (b) Composition, Name of the Members and Chairperson (up to May 25, 2025)

| Name of the Member    | Designation | Category                     |
|-----------------------|-------------|------------------------------|
| Ms. Uma Acharya       | Chairperson | Non-Executive Independent    |
| Mr. Ghanshyam Karkera | Member      | Non-Executive Independent    |
| Mr. Pushkar Khurana   | Member      | Promoter, Executive Director |
| Mr. Puneet Khurana    | Member      | Promoter, Managing Director  |

**(c) Meetings of the Stakeholder's' Relationship Committee**

During the year under review one meeting of SRC was held on February 7, 2025 which was attended by all the above Directors except Mr. Pushkar Khurana. The Minutes of the SRC Meetings are circulated and noted by the Directors at Board Meetings. Ms. Uma Acharya attended the last Annual General Meeting of the Company as Chairperson of SRC.

**(d) Name, Designation and Address of the Compliance Officer**

Mr. Vishal Totla  
Company Secretary & Compliance Officer  
204, Raheja Centre, Free Press Journal Marg, 214,  
Nariman Point, Mumbai 400 021.  
Tel.: 91 22 4926 8300, Fax: 91 22 4926 8354.  
Email: investors@ekc.in

**(e) Investor Grievance Redressal**

The total number of complaints received and replied to the satisfaction of shareholders during FY 2024-25 is as under:

| Quarter Ended  | Pending from earlier quarter | Received during the quarter | Resolved during the quarter | Pending at end of the quarter |
|----------------|------------------------------|-----------------------------|-----------------------------|-------------------------------|
| June 2024      | 0                            | 0                           | 0                           | 0                             |
| September 2024 | 0                            | 0                           | 0                           | 0                             |
| December 2024  | 0                            | 1                           | 1                           | 0                             |
| March 2025     | 0                            | 0                           | 0                           | 0                             |
| <b>Total</b>   | <b>0</b>                     | <b>1</b>                    | <b>1</b>                    | <b>0</b>                      |

There were no requests for transfer and for dematerialization pending for approval more than 21 days as on March 31, 2025. The Secretarial Department in consultation with MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited), the Registrar and Share Transfer Agent (RTA) of the Company attend to all the grievances of the shareholders and investors received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. Most of the investors'

grievances/correspondences are attended within a period of 7 days from the date of receipt of such grievances. The Company maintains continuous interaction with its RTA and takes proactive steps and actions for resolving complaints/ queries of the shareholders/investors and takes initiatives for solving critical issues. Shareholders are requested to furnish their telephone numbers and email addresses while addressing their queries to facilitate prompt action.

**(f) Equity Shares in the Suspense Account**

As required under Regulation 34(3) and 53(f) read with Schedule V(F) of the SEBI Listing Regulations, 2110 Equity shares belonging to 10 shareholders are lying in the unclaimed securities suspense account as on March 31, 2025. There was no movement in suspense account during the year. The voting rights on the shares outstanding in the suspense account shall remain frozen till the rightful owners of such shares claim the shares.

**(iv) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

Pursuant to Section 135 of the Act and the Rules framed thereunder, the Company has constituted Corporate Social Responsibility [CSR] Committee of Directors. A CSR Policy has been formulated by the Committee, which has been approved by the Board, to undertake CSR projects/activities. Ms. Suman Khurana is the Head-CSR of the Company. The Committee's responsibility is to assist the Board in discharging its social responsibilities by monitoring implementation of the framework of 'Corporate Social Responsibility Policy' and to suggest remedial measures wherever necessary.

**(a) Terms of reference**

- Formulate and recommend to the Board, a CSR Policy to be undertake CSR Activities by the Company as specified in Schedule VII of the Act;
- Recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the Company;
- Monitor the implementation of the CSR activities undertaken by the Company and review the same from time to time.

**(b) Composition, Name of the Members and Chairperson (up to May 25, 2025)**

| Name of the Member    | Designation | Category                     |
|-----------------------|-------------|------------------------------|
| Ms. Uma Acharya       | Chairperson | Non-Executive Independent    |
| Dr. Vaijayanti Pandit | Member      | Non-Executive Independent    |
| Mr. Pushkar Khurana   | Member      | Promoter, Executive Director |
| Mr. Puneet Khurana    | Member      | Promoter, Managing Director  |

(c) *Meetings of the CSR Committee*

During 2024-25, three Meetings of CSR Committee were held on June 11, 2024; November 11, 2024 and February 7, 2025. The quorum of the CSR Committee Meeting is two Directors one of whom should be Independent Director. The Board of Directors has accepted all the recommendations made by CSR Committee from time-to-time. Attendance of each Member at the CSR Committee Meetings held during the year is as under:

| Name of Member        | No. of Committee Meetings |          |
|-----------------------|---------------------------|----------|
|                       | Held                      | Attended |
| Ms. Uma Acharya       | 3                         | 3        |
| Dr. Vaijayanti Pandit | 3                         | 3        |
| Mr. Pushkar Khurana   | 3                         | 0        |
| Mr. Puneet Khurana    | 3                         | 1        |

(v) **RISK MANAGEMENT COMMITTEE (RMC)**

(a) *The terms of reference*

- Formulation a detailed risk management policy including:
  - A framework for identification of internal and external risks specifically faced by the Company, in particular towards financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee from time to time;
  - Measures for risk mitigation including systems and processes for internal control of identified risks;
  - Business continuity plan.
- Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- Periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- Keeping the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- Reviewing appointment, removal and terms of remuneration of the Chief Risk Officer (if any).

The Company has formulated a Risk Management Policy to establish an effective and integrated framework for the risk management process. The RMC monitor and oversee implementation of the Risk Management Policy including evaluating the adequacy of risk management systems. As suggested by the RMC, Vulnerability Assessment and Penetration (VAPT) test is being conducted on quarterly basis for firewall, routers, systems and servers including local networks-Local Area Network (LAN) and Multiprotocol Label Switching (MPLS) through external agencies to detect external as well as internal Cyber/IT threats and to monitor cyber security incidents or breaches or loss of data or documents, if any. During 2024-25, no such incident was reported.

(b) *Composition, Name of the Members and Chairperson (up to May 25, 2025)*

| Name of the Member          | Designation | Category                    |
|-----------------------------|-------------|-----------------------------|
| Dr. Vaijayanti Pandit       | Chairperson | Non-Executive Independent   |
| Mr. Ramakrishnan Ramanathan | Member      | Non-Executive Independent   |
| Mr. Puneet Khurana          | Member      | Promoter, Managing Director |

Consequent upon completion of 2nd term of 5 consecutive years of Mr. M. N. Sudhindra Rao as independent director, he ceased to be Member of the RMC with effect from June 3, 2024. Mr. Ramakrishnan Ramanathan was appointed as Member of RMC in his place with effect from June 3, 2024.

(c) *Meetings of the Risk Management Committee*

During 2024-25 two Meetings of RMC were held on June 14, 2024 and November 19, 2024. The quorum of RMC Meetings is two Members or one third of the Members, whichever is greater and the gap between two meetings was not more than 210 days. Attendance of each Member at the Risk Management Committee Meetings held during the year is as under:

| Name of Member              | No. of Committee Meetings |          |
|-----------------------------|---------------------------|----------|
|                             | Held                      | Attended |
| Dr. Vaijayanti Pandit       | 2                         | 2        |
| Mr. Puneet Khurana          | 2                         | 0        |
| Mr. Ramakrishnan Ramanathan | 2                         | 2        |

#### 4. GENERAL BODY MEETINGS

##### A. Annual General Meeting

Location, date and time of the Annual General Meetings held during the preceding 3 years and the Special Resolutions passed thereat are as follows:

| Financial Year | Day and Time                     | Venue                                                                                                                                                                                    | Special Resolutions passed                                                                                                                                                                                                                                                                                                                                                           |
|----------------|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2023-24        | August 30, 2024 at 4:00 p.m.     | Through Video Conferencing/ Other Audio-Visual Means ("VC/OAVM") Facility.<br><br><b>Deemed Venue</b> - 204, Raheja Centre, Free Press Journal Marg, 214, Nariman Point, Mumbai 400 021. | (i) Re-appointment of Dr. Vaijayanti Pandit (DIN: 0674223) as an Independent Director for the second term of five consecutive years with effect from March 30, 2025 up to January 12, 2028.<br><br>(ii) Appointment for Mr Ramakrishnan Ramanathan (DIN: 03394401) as an Independent Director for a term of five consecutive years with effect from June 3, 2024 up to June 2, 2029. |
| 2022-23        | September 22, 2023 at 4:00 p.m.  | Through Video Conferencing/ Other Audio-Visual Means ("VC/OAVM") Facility.<br><br><b>Deemed Venue</b> - 204, Raheja Centre, Free Press Journal Marg, 214, Nariman Point, Mumbai 400 021  | Reappointment of Mr. Ghanshyam Karkera (DIN: 00001829) as an Independent Director for the second term of five consecutive years with effect from October 30, 2023 up to October 29, 2028.                                                                                                                                                                                            |
| 2021-22        | September 23, 2022 at 11:30 a.m. | Through Video Conferencing/ Other Audio-Visual Means ("VC/OAVM") Facility.<br><br><b>Deemed Venue</b> - 204, Raheja Centre, Free Press Journal Marg, 214, Nariman Point, Mumbai 400 021  | Nil                                                                                                                                                                                                                                                                                                                                                                                  |

##### B. Postal Ballot

Pursuant to Section 108 and 110 of the Act read with the Companies (Management and Administration) Rules, 2014 (including any statutory amendment(s) or re-enactment(s)

made thereunder), the Company has not transacted any business through Postal Ballot. As on the date of this report the Company doesnot have any business to be transacted through postal ballot. Further, none of the businesses proposed to be transacted at the 46th AGM requires passing of a Special Resolution through Postal Ballot.

#### 5. MEANS OF COMMUNICATION

- Quarterly/half yearly/annual financial results are published in one English daily newspaper 'Business Standard' and one vernacular language newspaper 'Mumbai Lakshadeep'. The financial results and the official news releases are also displayed on the Company's website.
- Presentations to institutional investors/analysts:** Presentation to Investors after every financial quarter on the financial performance of the Company post declaration of financial results was made to institutional investors/analysts during the year. The Investor Presentation and Transcript of Earnings Conference Call are also displayed on the Company's website.
- Website:** The Company has a functional website [www.everestkanto.com](http://www.everestkanto.com) which contains information relating to Company's Management, vision, mission, various policies and corporate sustainability. A separate section 'Investors' provides information to Shareholders on financial results, annual reports, shareholding pattern and announcements submitted to the Stock Exchanges. The Company's Financial Results and Annual Reports available on the Company's website are in the downloadable form.
- SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.
- Exclusive email-id:** The Company has an exclusive email id – [investors@ekc.in](mailto:investors@ekc.in) dedicated for prompt redressal of shareholders' queries, grievances etc.
- ODR System:** In accordance with SEBI Circular No. SEBI/HO/OIAE\_IAD1/P/CIR/2023/131 dated July 31, 2023, the Company has registered on the newly launched SMART ODR Portal (Securities Market Approach for Resolution through Online Disputes Resolution Portal). This platform aims to enhance investor grievance resolution by providing access to Online dispute Resolution Institutions for addressing complaints. Members can access to Online Dispute Resolution Institutions for addressing complaints.

#### 6. GENERAL SHAREHOLDER INFORMATION

##### i. Company Registration Details:

The Company is registered in the State of Maharashtra,

India. The Corporate identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L29200MH1978PLC020434.

**ii. 46th Annual General Meeting-Day, Date and Time:**

Friday, August 22, 2025 at 4:00 p.m.

**Venue:** In accordance with the circulars issued by MCA from time-to-time, the Company propose to convene 46th AGM through video conferencing or other audiovisual modes, hence the registered office of the Company would be the deemed as the venue for the 46th AGM.

**iii. Financial Year:** April 1, 2025 to March 31, 2026.

**iv. Financial Results:**

for the quarter ending June 30, 2025: On or before August 14, 2025;

for the quarter ending September 30, 2025: On or before November 14, 2025;

for the quarter ending December 31, 2025: On or before February 14, 2026;

for the year ending March 31, 2026: On or before May 30, 2026.

**v. Book Closure Period**

The Register of Members and the Share Transfer books of the Company will remain closed from August 16, 2025 to August 22, 2025 (both days inclusive), for the purpose of the 46th AGM.

**ix. Stock Market Data:**

Details of high and low price and the number of shares traded during each month in the last financial year on BSE and NSE depicting liquidity of the Company's Equity Shares of ₹ 2 each on the said exchanges are as under:

| Month          | BSE Limited (BSE)      |                       |                      | National Stock Exchange of India Limited (NSE) |                       |                      |
|----------------|------------------------|-----------------------|----------------------|------------------------------------------------|-----------------------|----------------------|
|                | Month's High Price (₹) | Month's Low Price (₹) | No. of Shares traded | Month's High Price (₹)                         | Month's Low Price (₹) | No. of Shares traded |
| April 2024     | 158.50                 | 131.35                | 15,65,241            | 158.65                                         | 131.35                | 1,22,34,372          |
| May 2024       | 149.80                 | 124.20                | 11,49,189            | 149.90                                         | 124.35                | 74,41,498            |
| June 2024      | 142.00                 | 112.00                | 13,62,062            | 142.30                                         | 112.00                | 1,51,22,724          |
| July 2024      | 175.00                 | 125.60                | 39,11,818            | 175.00                                         | 125.26                | 4,23,10,735          |
| August 2024    | 200.40                 | 154.80                | 40,22,628            | 200.58                                         | 155.91                | 4,53,06,028          |
| September 2024 | 217.35                 | 179.45                | 32,49,663            | 217.43                                         | 179.50                | 3,50,36,046          |
| October 2024   | 213.35                 | 169.35                | 21,24,131            | 213.40                                         | 169.50                | 2,21,77,113          |
| November 2024  | 223.00                 | 163.60                | 20,31,853            | 223.46                                         | 164.00                | 3,40,23,392          |
| December 2024  | 231.50                 | 179.95                | 20,16,656            | 231.57                                         | 179.64                | 2,26,30,370          |
| January 2025   | 195.90                 | 140.80                | 14,82,959            | 195.87                                         | 140.77                | 1,40,27,868          |
| February 2025  | 166.00                 | 118.15                | 8,09,580             | 166.60                                         | 117.80                | 85,63,246            |
| March 2025     | 132.00                 | 111.50                | 10,74,818            | 132.44                                         | 111.23                | 92,18,561            |

**vi. Dividend Payment Date**

The Board has recommended a final dividend of ₹ 0.70 per equity share of ₹ 2 each at its Meeting held on May 23, 2025 for approval of Members for the Financial Year 2024-25. Dividend if declared, will be paid on or after August 28, 2025.

**vii. Listing on Stock Exchanges**

- The Equity shares of the Company are listed on following stock exchanges:

|                                                                                                                     |                                                                                                                                                                                   |
|---------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>BSE Limited (BSE),</b><br>Phiroze Jeejeebhoy<br>Towers, Dalal Street,<br>Mumbai - 400 001.<br>Scrip Code: 532684 | <b>National Stock Exchange<br/>of India Limited (NSE),</b><br>"Exchange Plaza", C-1,<br>Block G, Bandra-Kurla<br>Complex, Bandra (E),<br>Mumbai - 400 051.<br>Trading Symbol: EKC |
|---------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

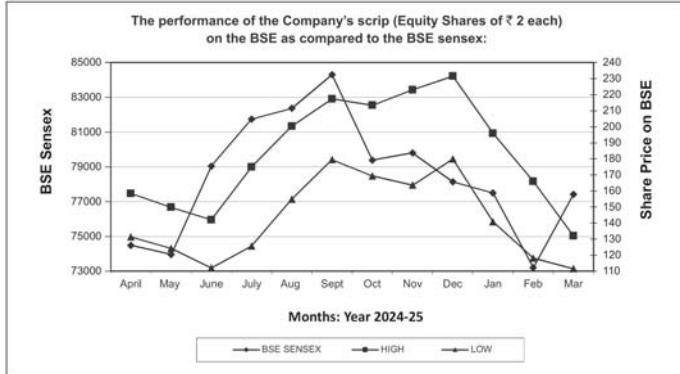
- The International Securities Identification Number (ISIN) in respect of the said equity shares is INE184H01027.

**viii. Payment of Listing Fee:**

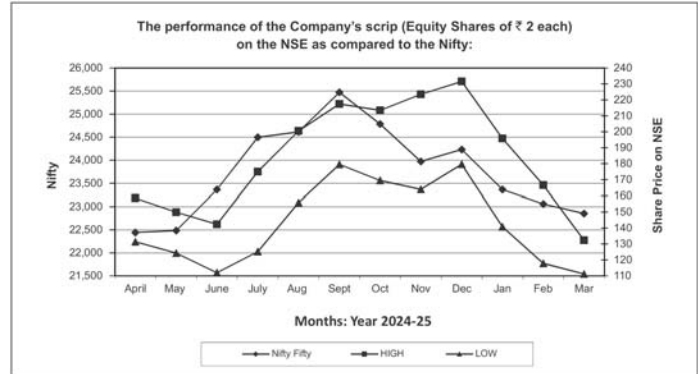
The Company has paid the annual listing fees of both the Stock Exchanges as well as Annual Custody fees of the Depositories [Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL)] for the Financial Year 2025-26.

**x. Stock Performance**

The performance of the Company's shares relative to the BSE Sensitive Index (SENSEX) is given in the chart below:



The performance of the Company's shares relative to the NSE Sensitive Index (Nifty Index) is given in the chart below:


**xi. Liquidity**

Shares of the Company are actively traded on BSE and NSE as seen from the volume of shares indicated in the table containing stock market data and hence ensure good liquidity for the investors.

**xii. Statement showing Shareholding Pattern as on March 31, 2025**

| Category of Shareholders                                                     | Number of Shares    | % of Shareholding |
|------------------------------------------------------------------------------|---------------------|-------------------|
| Promoter and Promoter Group                                                  | 7,56,13,143         | 67.39             |
| Alternate Investment Funds                                                   | 1,00,000            | 0.09              |
| NBFC Registered with RBI                                                     | 8,200               | 0.01              |
| Foreign Portfolio Investors Category I                                       | 15,43,619           | 1.38              |
| Foreign Portfolio Investors Category II                                      | 4,65,811            | 0.42              |
| State Government / Governor                                                  | 500                 | 0.00              |
| Central Government / President of India                                      | 500                 | 0.00              |
| Investor Education and Protection Fund Authority (IEPF)                      | 1,99,636            | 0.18              |
| Individual shareholders holding nominal share capital up to ₹ 2 lakhs        | 2,87,06,286         | 25.58             |
| Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs | 10,13,158           | 0.90              |
| Non-Resident Indians                                                         | 19,44,787           | 1.73              |
| Bodies Corporate and LLP                                                     | 11,32,038           | 1.00              |
| Clearing Members                                                             | 576                 | 0.00              |
| HUF                                                                          | 14,71,928           | 1.31              |
| Trust                                                                        | 7,500               | 0.01              |
| <b>TOTAL</b>                                                                 | <b>11,22,07,682</b> | <b>100.00</b>     |

The number of shareholders is consolidated based on PAN, where available.

**xiii. Statement showing Shareholding Pattern as on March 31, 2025**

| No. of Shares held | No. of Shareholders | % to No. of Shareholders | No. of Shares       | % to No. of Shares |
|--------------------|---------------------|--------------------------|---------------------|--------------------|
| 1 - 500            | 82,221              | 88.08                    | 89,66,566           | 7.99               |
| 501 - 1000         | 5,738               | 6.15                     | 45,13,751           | 4.02               |
| 1001 - 2000        | 2,898               | 3.10                     | 43,23,004           | 3.85               |
| 2001 - 3000        | 1,014               | 1.09                     | 25,73,608           | 2.29               |
| 3001 - 4000        | 416                 | 0.45                     | 14,76,249           | 1.32               |
| 4001 - 5000        | 319                 | 0.34                     | 15,01,322           | 1.34               |
| 5001 - 10000       | 441                 | 0.47                     | 32,16,563           | 2.87               |
| 10001 and above    | 300                 | 0.32                     | 8,56,36,619         | 76.32              |
| <b>TOTAL</b>       | <b>93,347</b>       | <b>100</b>               | <b>11,22,07,682</b> | <b>100</b>         |

**xiv. Dematerialization of Shares as on March 31, 2025**

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the Depositories in India - National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). 100% of the shareholding of the Company is in demat form.

| Particulars of Shares      | Equity Shares of ₹ 2 each |               |
|----------------------------|---------------------------|---------------|
|                            | Number                    | %of Total     |
| <b>Dematerialized form</b> |                           |               |
| CDSL                       | 2,26,10,303               | 20.15         |
| NSDL                       | 8,95,97,379               | 79.85         |
| <b>Sub – Total</b>         | <b>11,22,07,682</b>       | <b>100.00</b> |
| Physical Form              | 0                         | 0.00          |
| <b>Total</b>               | <b>11,22,07,682</b>       | <b>100.00</b> |

**xv. Registrar & Share Transfer Agent:**
**MUG INTIME INDIA PRIVATE LIMITED**

(formerly known as Link Intime India Private Limited)

C 101, 247 Park, LBS Marg, Vikhroli West,  
Mumbai - 400 083, Maharashtra.

Tel: +91 (22) 4918 6270. Fax: +91 (22) 4918 6060

Email: [rnt.helpdesk@in.mpms.mufg.com](mailto:rnt.helpdesk@in.mpms.mufg.com)

Web: [www.in.mpms.mufg.com](http://www.in.mpms.mufg.com)

**xvi. Share Transfer System**

In accordance with the proviso to Regulation 40(1) of the SEBI Listing Regulations, effective April 01, 2019, the Company has not processed transfers of shares of the Company unless the shares are held in the dematerialized form with a depository.

**xvii. Outstanding GDRs / ADRs / Warrants or any convertible instruments**

There are no outstanding GDRs/ADRs/Warrants or any convertible instruments as at March 31, 2025.

**xviii. Commodity Price Risk / Foreign Exchange Risk and Hedging Activities**

The Company has managed the foreign exchange risk with appropriate hedging activities in accordance with policies of the Company. The Company has adequate risk assessment and minimization system in place. The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out.

**xix. Plant Locations**

The Company's plants in India are located at below mentioned places:

|                                                    |                                                                                                                                                          |
|----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Kandla Special Economic Zone</b>                | Plot no. 525 to 542, 618, 619, 627 & 628, Sector - Economic Zone: New Extended Area, Kandla Special Economic Zone, Gandhidham, Kutch - 370 230, Gujarat. |
| <b>Ratadiya Mundhra</b>                            | L. Survey No.: 333, 334, 339 to 342, 345, 346, 354<br>Vi. Ratadiya Tal. Mundra Dist. Kachchh-370 410                                                     |
| <b>Tarapur</b>                                     | N-62, MIDC Industrial Area, Kumbhavali Naka, Tarapur – 401 506, Maharashtra.                                                                             |
| <b>Aurangabad</b><br>(No manufacturing activities) | E-22, MIDC Area, Chikalthana, Aurangabad – 431 210, Maharashtra.                                                                                         |

**xx. Address for Correspondence**

- Shareholders' correspondence should be addressed to Company's Registrar & Share Transfer Agent at the below mentioned address:

**MUG INTIME INDIA PRIVATE LIMITED**

(formerly known as Link Intime India Private Limited)

C 101, 247 Park, LBS Marg, Vikhroli West,  
Mumbai - 400 083, Maharashtra.

Tel: +91 (22) 4918 6270. Fax: +91 (22) 4918 6060

Email: [rnt.helpdesk@in.mpms.mufg.com](mailto:rnt.helpdesk@in.mpms.mufg.com)

Web: [www.in.mpms.mufg.com](http://www.in.mpms.mufg.com)

- Shareholders may also contact Mr. Vishal Totla, Company Secretary, at the registered office of the Company for any assistance at: 204, Raheja Centre, Frees Press Journal Marg, Nariman Point Mumbai 400 021 Tel.: 91-22-49268300/01. Email: [investors@ekc.in](mailto:investors@ekc.in)
- Shareholders holding shares in electronic mode should address their correspondence to the respective Depository Participants.

**xxi. List of all credit ratings obtained by the entity along with any revisions there to during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad of funds, whether in India or abroad**

The Company is not required to obtain any credit ratings for debt instruments, fixed deposit or any proposal for mobilization of funds, whether in India or abroad, as same has not been issued. However, Care Edge Ratings had vide its press release dated September 26, 2024

revised the rating of the Company in regard to Bank facilities as under:

| Sr. No | Facilities / Instruments   | Existing Credit Rating                     | Revised Credit Rating                      |
|--------|----------------------------|--------------------------------------------|--------------------------------------------|
| 1.     | Long-term bank facilities  | CARE BBB+; stable (Tripple B plus; stable) | CARE BBB+; stable (Tripple B plus; stable) |
| 2.     | Short-term bank facilities | CARE A3+ (A3 plus)                         | CARE A2                                    |

## 7. DISCLOSURES:

### (i) Policy on materially significant Related Party Transactions

The Company has formulated policy on dealing with Related Party Transactions (RPTs). The said policy also provides for the material modifications of RPTs. This policy is placed on the Company's website: EKC-Related-Party-Transaction-Policy. The Audit Committee had granted omnibus approval up to certain threshold limits for RPTs during 2024-25 and the actual value of transactions were reviewed on quarterly basis vis-à-vis the limits. During the financial year, there were no materially significant related party transactions that may have potential conflict with the interests of the Company at large other than those reported in the Notes to Accounts (Refer to Note 46) to the Financial Statements for disclosure of RPTs. All transactions with Related Parties were on arm's length basis and in the normal course of business during 2024-25. The interest of Directors, if any, in transactions are disclosed at Board Meetings and the interested Director does not participate in the discussion or vote on such transactions.

(ii) The Company has complied with the requirements of Regulatory Authorities on capital markets; hence there are no non-compliances for which penalty/stricture was imposed by the Stock Exchange(s) or SEBI or any other Statutory Authority on the Company during the last three years.

(iii) The Company has formulated Vigil Mechanism/ Whistleblower policy with an aim to provide a channel to the Directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy system which is embedded in its Code of Conduct. The Code of Conduct of the Company serves as a guide for daily business interactions, reflecting the Company's standard for appropriate behaviour and living Corporate Values. This policy is placed on the Company's website and the weblink is: EKC-WhistleBlower-Policy. It is affirmed that no person has been denied direct access to the chairperson of the Audit committee.

(iv) The Company has adopted a policy for determining Material Subsidiary in accordance with Regulation 24 of the SEBI Listing Regulations. The said policy is placed on the Company's website and the weblink is: EKC-Policy-Material-Subsidiary. The audit committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies. A report on significant developments of the unlisted subsidiary companies is periodically placed before the Board of Directors of the Company. EKC International FZE, Dubai and CPI Holdings Inc., USA are material subsidiaries of the Company. The Company has appointed Mr. Ghanshyam Karkera, Independent Director on the Board of EKC International FZE, Dubai and Mr. Ramakrishnan Ramanathan Independent Director on the Board of CPI Holdings Inc., USA. Urish Popeck & Co., LLC USA are the Statutory Auditors of CPI and Parag Parekh & Co., UAE are the Statutory Auditors of EKC FZE.

(v) During the year, the Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the SEBI Listing Regulations.

(vi) Based on the declaration/confirmation made by the Directors, the Company has received a certificate from its Secretarial Auditors M/s. Aashish K. Bhatt & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such Statutory Authority.

(vii) There have been no instances during the year where recommendations of the Committees of the Board were not accepted by the Board.

(viii) The total fees for all services paid on a consolidated basis by the Company to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditor is a part, for the financial year 2024-25 is ₹ 37.25 lakhs.

(ix) **Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is as under:**

| Particulars                                       | No. of Complaints |
|---------------------------------------------------|-------------------|
| Number of complaints filed during 2024-25         | Nil               |
| Number of complaints disposed during 2024-25      | Nil               |
| Number of complaints pending as on end of 2024-25 | Nil               |

- (x) Pursuant to the requirements of Regulation 34 (3) read with Schedule V to the SEBI Listing Regulations, the details of Loans/Advances made to and investments made in the subsidiary have been furnished in Notes forming part of the Accounts.
- (xi) (Non-compliance of any requirement of corporate governance report of sub-para (2) to (10) above, with reasons thereof shall be disclosed – Not Applicable.

## **8. COMPLIANCE WITH THE DISCRETIONARY REQUIREMENTS UNDER THE SEBI LISTING REGULATIONS**

The Board of Directors periodically review the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements stipulated in the SEBI Listing Regulations. The Company has submitted quarterly compliance report on Corporate Governance with the Stock Exchanges, in accordance with the requirements of Regulation 27(2)(a) of the SEBI Listing Regulations. In addition, the Company has also adopted the following non-mandatory requirements to the extent mentioned below:

- The Company's financial statements are unqualified.
- The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.
- The Company has appointed separate persons to the post of Chairman and Managing Director. The Company does not have Chief Executive Officer.

## **9. CEO AND CFO CERTIFICATION**

As the Company does not have CEO, the Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17 of the SEBI Listing Regulations. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of SEBI Listing Regulations.

## **10. CERTIFICATE ON CORPORATE GOVERNANCE**

A Certificate from Practicing Company Secretaries, M/s. Aashish K. Bhatt & Associates, the Secretarial Auditors of the Company regarding compliance with the conditions of Corporate Governance as stipulated under Schedule V part E of SEBI Listing Regulations, is attached to this Report.

## **11. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT: NIL.**

## **12. POLICY ON INSIDER TRADING:**

The Company has formulated a Code of Conduct for Prevention of Insider Trading (Code) in accordance with the guidelines specified under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time-to-time. The Board has appointed the Company Secretary as the Compliance

Officer under the Code responsible for complying with the procedures, monitoring adherence to the rules for the preservation of price sensitive information, pre-clearance of trade, monitoring of trades and implementation of the Code of Conduct under the overall supervision of the Board. The Company's Code, *inter alia*, prohibits purchase and/or sale of shares of the Company by an insider, while in possession of Unpublished Price Sensitive Information in relation to the Company during certain prohibited periods. In accordance with the SEBI Circular dated July 19, 2023 the Company freeze the PAN of designated persons to restrict the dealing in shares of the Company by them and their relatives during the closure of trading window period. The said mechanism is set up through CDSL.

## **13. DETAILS OF THE DIRECTOR SEEKING REAPPOINTMENT / APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING**

- Consequent upon demise of Mr. Premkumar Khurana, Mr. Pushkar Khurana (DIN: 00040489) was appointed as Chairman and Executive Director of the Company, liable to retire by rotation. Pursuant to the provisions of the Act and based on the recommendation of NRC, Resolution proposing reappointment of Mr. Pushkar Khurana as Wholetime Director for a period of five years from May 26, 2025 on the terms and conditions set out in the Explanatory Statement annexed to the Notice of 46th AGM forming part of this Annual Report.
- Mr. Puneet Khurana (DIN: 00004074) Managing Director of the Company liable to retire by rotation under the provisions of the Act being eligible, has offered himself for reappointment.
- The second term of 5 consecutive years of Ms. Uma Acharya, Independent Director of the Company is up to May 25, 2025. She will cease to be Directors with effect from May 26, 2025.
- In view of the above and in compliance of Regulation 17(1)(c) of the SEBI Listing Regulations, the Board of Directors had based on the recommendation of NRC and subject to approval of Members at the ensuing AGM, appointed Mr. Sanjiv Kapur as a Wholetime Director for a term commencing from May 26, 2025 up to the close of business hours on October 31, 2026. Ordinary Resolution proposing the appointment of Mr. Sanjiv Kapur as Wholetime Director forms part of the Notice of the 46th AGM.

- 14. The Company has complied with and has made adequate disclosures as required under Regulations 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the SEBI Listing Regulations.

## **15. UNCLAIMED DIVIDENDS**

Pursuant to Section 125 of the Act, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the

Central Government. Accordingly, the Company had transferred the amount of earlier dividends declared by the Company up to 2012-13, remaining unpaid or unclaimed for a period of seven years to the IEPF. Further, pursuant to Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time), the Company had also transferred the Equity Shares of the Company in respect of which dividend has remained unclaimed or unpaid for seven consecutive years or more to the IEPF Authority. The concerned shareholders may note that the shares so transferred to IEPF Account, including all benefits accruing on such shares, if any, can be claimed by them only from IEPF Authority by following the prescribed procedure.

Shareholders are therefore advised to claim the unencashed/unclaimed dividends lying in the unpaid dividend accounts of the Company before the due date. Given below are the dates of declaration of dividend and due dates for claiming dividend:

| Declaration of Dividend | Dividend for the year | Due for transfer to IEPF | Amount lying in unpaid dividend account as on March 31, 2025 (₹) |
|-------------------------|-----------------------|--------------------------|------------------------------------------------------------------|
| September 23, 2021      | 2020-21               | September 22, 2028       | 94,062.30                                                        |
| September 23, 2022      | 2021-22               | September 22, 2029       | 1,71,388.10                                                      |
| September 22, 2023      | 2022-23               | September 21, 2030       | 1,59,894.46                                                      |
| August 30, 2024         | 2023-24               | August 29, 2031          | 1,57,714.37                                                      |

**Mr. Sanjiv Kapur, Chief Financial Officer has been appointed as 'Nodal Officer' under the provisions of IEPF.**

#### 16. BANK DETAILS FOR ELECTRONIC SHAREHOLDING

Members may please note that the details of bank accounts provided by the respective Members while opening Demat Accounts with Depository Participants (DPs), are used by the Company for ECS/printing on dividend warrants for remittance of dividend. However, remittance of dividend through ECS/ NECS has been replaced by NACH. To facilitate the Company to remit the dividend amount through NACH, please furnish your new bank account number allotted to you by your bank, to your DPs along with photocopy of cheque pertaining to your bank account.

#### 17. NOMINATION FACILITY

Shareholders are requested to register their nominations with their respective DP. Nomination helps the nominees to get the shares transmitted in their favour in a smooth manner without much documentation/ legal requirements.

#### 18. RECEIPT OF BALANCE SHEET / OTHER DOCUMENTS THROUGH ELECTRONIC MODE

As servicing of documents to shareholders, including Notice of Annual General Meeting, Balance Sheet, Statement of Profit and Loss, etc. is permitted through electronic mail, the Company will send the Annual Report and other documents in electronic form to those shareholders whose e-mail address are registered with the Company's RTA – MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) or made available by the Depositories.

### DECLARATION BY THE MANAGING DIRECTOR ON COMPLIANCE WITH THE CODE OF CONDUCT

#### Code of Conduct

The Company has adopted the Code of Conduct for Directors and senior management personnel. The Code has been circulated to all the members of Board and senior management personnel and the same has been posted on the Company's website. The Board and senior management personnel have affirmed their compliance with the Code and a declaration signed by the Managing Director of the Company is given below:

It is hereby declared that the Company has obtained from all the Board and senior management personnel affirmation that they have complied with the Code of Conduct for the Directors and senior management of the Company for the year 2024-25.

For and on behalf of the Board  
**Everest Kanto Cylinder Limited**

**Puneet Khurana**  
Managing Director  
DIN: 00004074

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*(pursuant to Regulation 34(3) and Schedule V Para C Sub clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,

**The Members of**
**Everest Kanto Cylinder Limited,**

204, Raheja Centre, Free Press Journal Marg, 214,  
Nariman Point, Mumbai - 400021.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Everest Kanto Cylinder Limited** having CIN L29200MH1978PLC020434 and having registered office 204, Raheja Centre, Free Press Journal Marg, 214, Nariman Point, Mumbai – 400021 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other Statutory Authority.

| Sr. | Name of Directors               | DIN      | Date of appointment in Company |
|-----|---------------------------------|----------|--------------------------------|
| 1.  | Mr. Pushkar Premkumar Khurana   | 00040489 | 12.09.1994                     |
| 2.  | Mr. Puneet Premkumar Khurana    | 00004074 | 14.11.2019                     |
| 3.  | Mr. Ghanshyam Vithaldas Karkera | 00001829 | 30.10.2018                     |
| 4.  | Dr. Vijayanti Ajit Pandit       | 06742237 | 30.03.2020                     |
| 5.  | Ms. Uma Achyut Acharya          | 07165976 | 26.05.2015                     |
| 6.  | Mr. Ramakrishnan Ramanathan     | 03394401 | 03.06.2024                     |

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on my verification. This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Aashish K. Bhatt & Associates**  
Practicing Company Secretaries  
(ICSI Unique Code: S2008MH100200)

**Aashish K. Bhatt**  
Proprietor

Place: Mumbai  
Date: 23-05-2025

Membership No.: 19639  
UDIN: A019639G000422459

**CERTIFICATE ON CORPORATE GOVERNANCE**
**To the Members,  
Everest Kanto Cylinder Limited**

I have examined the compliance of Corporate Governance by Everest Kanto Cylinder Limited ('the Company') for the year ended March 31, 2025, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 ('SEBI Listing Regulations') as referred to in Regulation 15(2) of the SEBI Listing Regulations.

The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. My examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanation given to me and based on the representations made by the management, I certify that the Company has complied

with the conditions of Corporate Governance as stipulated in SEBI Listing Regulations as amended.

I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose.

**For Aashish K. Bhatt & Associates**  
Practising Company Secretaries  
(ICSI Unique Code S2008MH100200)

**Aashish K. Bhatt**  
Proprietor

Place: Mumbai  
Date: 23-05-2025

ACS No.: 19639, COP No.: 7023  
UDIN: A019639G000422481

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Everest Kanto Cylinder Limited

#### Report on the Audit of the Standalone Financial Statements

##### Opinion

We have audited the accompanying standalone financial statements of **Everest Kanto Cylinder Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including summary of material accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements"), which includes the financial statements of the branch located at Dubai.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the branch auditor as referred to in Other Matters paragraph below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, its profit and other comprehensive income, its cash flows and changes in equity for the year ended on that date.

##### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under

section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our Report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and that obtained by the branch auditor, in terms of their report referred to in Other Matters section below is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

##### Key Audit Matter

Key audit matters are those matters that, in our professional judgement, and based on the consideration of the reports of the branch auditors as referred to in Other Matters paragraph below, were of most significance in our audit of the standalone financial statements for the year ended 31 March 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matter to be communicated in our report.

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Assessment of recoverable value of idle Property, plant and equipment including capital work-in-progress</b></p> <p>(Refer notes 3 and 4 to the accompanying standalone financial statements)</p> <p>As at 31 March 2025, the net carrying amount of certain idle property, plant and equipment (PPE) and capital work-in-progress (CWIP) is ₹ 1,094 lakhs and ₹ 1,871 lakhs, respectively. The aforesaid PPE and CWIP have remained idle for a considerable period due to demand contraction for certain products. Therefore, management has considered it as an indicator of possible impairment in the carrying value of these PPE and CWIP.</p> <p>Management judgement is required in assessing impairment indicators and recoverable amount for impairment testing. Management, with the help of an independent valuer, has estimated the recoverable amount of the aforesaid idle PPE and CWIP using 'Depreciated Replacement Cost Valuation Method', under the cost approach, which is a complex exercise and involves the use of significant estimates and assumptions that are dependent on expected future market conditions.</p> | <p><b>Our audit included, but was not limited to, the following procedures:</b></p> <ul style="list-style-type: none"> <li>Assessed the appropriateness of accounting policy in respect of impairment loss of non-financial assets in accordance with Ind AS;</li> <li>Obtained understanding of management's process of identification of indicators of impairment and impairment provision. Evaluated the design and tested the operating effectiveness of internal controls over impairment assessment process;</li> <li>Assessed the professional competence, and objectivity of the management's valuation specialist;</li> <li>Assessed the appropriateness of valuation method used by the management's valuation specialist to estimate the recoverable value of the PPE and CWIP;</li> <li>Evaluated the reasonableness of the estimates including estimation of expected useful lives of PPE and key assumptions including cost of replacement, salvage value and cost of disposal used by the management's valuation specialist in estimating the recoverable value of PPE and CWIP;</li> </ul> |

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                          | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Based on the above assessment, the carrying value of the said PPE and CWIP was impaired by ₹ 20 lakhs and ₹ 628 lakhs respectively. The change was recognised in the standalone profit and loss statement in accordance with Ind AS 36, Impairment of assets, as disclosed in Note 3 and 4.</p> <p>We determined impairment of PPE and CWIP as a key audit matter since these assessments are complex and involve significant management estimation and judgement.</p> | <ul style="list-style-type: none"> <li>Tested the arithmetical accuracy of the management's workings of valuation, sensitivity analysis and impairment losses;</li> <li>Performed sensitivity analysis around aforesaid key assumptions to assess the effect of reasonably possible variations on the estimated recoverable amounts of PPE and CWIP; and</li> <li>Evaluated the adequacy of disclosures in respect of impairment of the said PPE and CWIP in the standalone financial statements.</li> </ul> |

### Information Other than the Financial Statements and Auditor's report thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements, that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors are either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place adequate internal financial controls with reference to the financial statements and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matters

The standalone financial statements include the audited financial statements of the Dubai branch, whose financial statements, without giving effects to elimination of intra-group transaction reflect total assets of ₹ 17 lakhs as at 31 March 2025 and total revenue of ₹ Nil lakhs, total net loss after tax of ₹ 258 lakhs, total comprehensive loss of ₹ 258 lakhs and net cash inflow of ₹ 0.41

lakhs for the year ended on 31 March 2025, as considered in the standalone financial statements. These financial statements have been audited by the branch auditor whose reports have been furnished to us by the Management and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of this branch is based solely on the reports of the branch auditor.

Our opinion above on the standalone financial statements and our report are not modified in respect of the above matters.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the branch auditor as referred to in Other Matters paragraph above, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far, it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branch not visited by us.
  - (c) The reports on the accounts of the branch office of the Company audited under section 143(8) of the Act by the branch auditor has been sent to us and have been properly dealt with by us in preparing this report.
  - (d) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of cash flows and the standalone statement of changes in equity dealt with by this Report are in agreement with the books of account and with the returns received from the branch not visited by us.
  - (e) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - (f) On the basis of written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025, from being appointed as a director in terms of Section 164(2) of the Act.
  - (g) With respect to the adequacy of the internal financial controls with reference to the financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
3. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the

consideration of the reports of the branch auditors as referred to in Other Matters paragraph above:

- (a) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 48 to the standalone financial statements.
  - (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (c) There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
  - (d) (i) The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (ii) The management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (iii) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
  - (e) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.  
As stated in note 46 (iii) to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.
  - (f) Based on our examination which includes test checks, the Company has used an accounting software for maintaining its books of accounts which has feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in software. Further, during the course of our audit we did not come across any instance of audit trail feature being tempered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.
4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and on the consideration of the report of the branch auditor as referred to in Other Matters paragraph above, the remuneration paid/provided by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

**For Suresh Surana & Associates LLP**  
Chartered Accountants  
Firm's Registration No.: 121750W/W100010

**Vinodkumar Varma**  
Partner  
Membership No.: 105545

**UDIN: 25105545BMNVNN7217**

Place: Mumbai  
Date: 23 May 2025

## Annexure 'A' to the Independent Auditor's Report on the standalone financial statements of Everest Kanto Cylinder Limited for the year ended 31 March 2025

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

In terms of the information and explanations sought by us and given by the Company and books of account and records examined by us in the normal course of audit and based on the consideration of the report of the branch auditor, and to the best of our knowledge and belief, we report that:

1. (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of its property, plant and equipment, investment property and right of use assets.

(B) The Company has maintained proper records showing full particulars of its intangible assets.

(b) The Company has a regular program of physical verification of property, plant and equipment, investment property and right of use assets during the year, which in our opinion, is reasonable having regard to size of the Company and nature of its assets. Pursuant to the program, property, plant and equipment have been verified by the Management during the year. No material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (including investment properties) (other than immovable properties where the Company is the lessee) held in the name of the Company. For immovable properties where the Company is a lessee, the lease agreements have been duly executed in favor of the Company, except following:

| Description of property | Gross carrying value-Right of use asset (₹ in lakhs) | Location    | Details of lessor                              | Period held       | Reason for not being held in name of Company |
|-------------------------|------------------------------------------------------|-------------|------------------------------------------------|-------------------|----------------------------------------------|
| Land                    | 111                                                  | Maharashtra | Maharashtra Industrial Development Corporation | Since 1989 & 2003 | Amalgamation of plots are pending            |

(d) The Company has not revalued its property, plant and equipment (including right of use assets) and intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the "Benami Transactions (Prohibition) Act, 1988 (45 of 1988)" and Rules made thereunder.

2. (a) The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in aggregate for each class of inventory were noticed on such verification by the Management.

(b) The Company has been sanctioned working capital limits in excess of rupees five crores, in aggregate, at point of time during the year from banks on the basis of security of current assets. In our opinion and according to the information and explanation given to us, the quarterly returns or statements, filed by the Company with such banks, are in agreement with the audited books of accounts of the Company for the respective quarters.

3. (a) The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during

the year. The Company has made investments in other parties during the year.

(b) The investments made during the year are, prima facie, not prejudicial to the interest of the Company.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of the interest has not been stipulated and accordingly we are unable to comment as to whether the repayments or receipts of principal and interest are regular.

(d) In the absence of stipulated schedule of repayment of principal and payment of the interest in respect of loans, we are unable to comment as to whether there is any overdue amount for more than ninety days.

(e) According to the information and explanations given to us, in respect of loan granted by the Company, the schedule of repayment of principal has not been stipulated. Accordingly, we are unable to comment as to whether the aforesaid loan has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans / advances in nature of loan that existed as at the beginning of the year.

(f) The Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.

4. The Company has complied with the provisions of section 185 and 186 of the Act in respect to loans and investments made and guarantees and securities provided by it, as applicable.

5. The Company has not accepted any deposits or amounts which are deemed to be deposits. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

6. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7. (a) The Company has been regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues with the appropriate authorities. No undisputed amounts payable in respect of aforesaid statutory dues were outstanding as on the last day of the financial year for a period of more than six months from the date they became payable.

(b) There were no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute except following:

| Name of the Statute              | Nature of dues                                       | Amount<br>(₹ in lakhs) | Period to which the amounts relate | Forum where dispute is pending                   |
|----------------------------------|------------------------------------------------------|------------------------|------------------------------------|--------------------------------------------------|
| Gujarat Commercial Tax           | Value Added Tax                                      | 7                      | F.Y. 2009-10                       | Joint Commissioner of Commercial tax (Appeal)    |
| Central Excise Act, 1944         | Excise Duty and interest thereon                     | 174                    | F.Y. 2010-11                       | CESTAT, Ahmedabad                                |
| Goods and Services Tax Act, 2017 | Goods and Service Tax and interest & penalty thereon | 35,133                 | FY 2017-18 to FY 2022-23           | The Commissioner of CGST Palghar, Mumbai         |
|                                  | Goods and Service Tax                                | 77                     | FY 2020-21                         | Additional Commissioner Grade-II Appeal, Lucknow |
| The Income Tax Act 1961          | Income Tax                                           | 377                    | AY 2017-18                         | Commissioner of Income Tax (Appeals)             |
|                                  |                                                      | 112                    | AY 2018-19                         | Commissioner of Income Tax (Appeals)             |
|                                  |                                                      | 160                    | AY 2019-20                         | Commissioner of Income Tax (Appeals)             |
|                                  |                                                      | 3                      | AY 2020-21                         | Commissioner of Income Tax (Appeals)             |
|                                  |                                                      | 20                     | AY 2021-22                         | Income Tax Appellate Tribunal                    |
|                                  |                                                      | 580                    | AY 2022-23                         | Commissioner of Income Tax (Appeals)             |
|                                  |                                                      | 133                    | AY 2023-24                         | Commissioner of Income Tax (Appeals)             |

8. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
9. (a) The Company has not defaulted in repayment of dues to any lender. Accordingly, reporting under clause 3(ix)(a) of the Order is not applicable.  
(b) The Company is not a declared willful defaulter by any bank or financial institution or other lender.  
(c) The Company has applied the term loan for the purpose for which loan was obtained.  
(d) On an overall examination of the financial statements of the Company, we report that no funds raised on short term basis have been used for long term purposes by the Company.  
(e) On an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company doesn't have associates or Joint ventures.
10. (a) The Company has not raised money by way of public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.  
(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable.
11. (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanation given to us, we report that no fraud by the Company or on the Company has been noticed or reported during the year.  
(b) During the year, no report under sub-section (12) of Section 143 of the Act has been filed in Form ADT- 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.  
(c) As represented to us by the management, there were no whistle blower complaints received by the Company during the year.
12. The Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable.
13. In our opinion, transactions with related parties are in compliance with Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

14. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
15. The Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Accordingly, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
16. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, reporting under clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) The group has no Core Investment Company. Accordingly, reporting under clause 3(xi)(d) of the Order is not applicable.
17. The Company has not incurred any cash losses in the financial year covered by our audit and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year. Accordingly reporting under clause 3(xviii) of the Order is not applicable.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board

of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. According to the information and explanations given to us, the Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Act or special account in compliance with the provision of Section 135(6) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

For **Suresh Surana & Associates LLP**  
Chartered Accountants  
Firm's Registration No.: 121750W/W100010

**Vinodkumar Varma**  
Partner  
Membership No.: 105545

**UDIN: 25105545BMNVNN7217**

Place: Mumbai  
Date: 23 May 2025

## **Annexure 'B' to the Independent Auditor's Report on the standalone financial statements of Everest Kanto Cylinder Limited for the year ended 31 March 2025**

(Referred to in paragraph 2(g) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

### **Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to standalone financial statements of Everest Kanto Cylinder Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date which includes internal financial controls with reference to financial statements of the Company's

branch.

### **Management's Responsibility for Internal Financial Controls**

The Company's Board of Director is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design,

implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the branch auditors of branch are sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

### Meaning of Internal Financial Controls with Reference to Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit

preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

### Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the branch auditor, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

### Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to branch located in Dubai, is based on the corresponding report of the branch auditor.

Our opinion is not modified in respect of this matter.

### For Suresh Surana & Associates LLP

Chartered Accountants

Firm's Registration No.: 121750W/W100010

### Vinodkumar Varma

Partner

Membership No.: 105545

UDIN: 25105545BMNVNN7217

Place: Mumbai

Date: 23 May 2025

**STANDALONE BALANCE SHEET AS AT 31 MARCH 2025**

|                                                                                        | Note No. | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|----------------------------------------------------------------------------------------|----------|----------------------------------------|----------------------------------------|
| <b>I. ASSETS</b>                                                                       |          |                                        |                                        |
| <b>1 Non-current assets</b>                                                            |          |                                        |                                        |
| Property, plant and equipment                                                          | 3        | 22,202                                 | 22,653                                 |
| Capital work-in-progress                                                               | 4        | 11,006                                 | 6,184                                  |
| Investment property                                                                    | 5        | 2,536                                  | 2,304                                  |
| Intangible assets                                                                      | 6        | 51                                     | 50                                     |
| Financial assets                                                                       |          |                                        |                                        |
| Investments                                                                            | 7        | 2,544                                  | 2,510                                  |
| Trade receivables                                                                      | 8        | 114                                    | 276                                    |
| Other financial assets                                                                 | 9        | 903                                    | 816                                    |
| Non-current tax assets (net)                                                           | 10       | 571                                    | 541                                    |
| Other non-current assets                                                               | 11       | 1,694                                  | 1,707                                  |
| <b>Total non-current assets</b>                                                        |          | <b>41,621</b>                          | <b>37,041</b>                          |
| <b>2 Current assets</b>                                                                |          |                                        |                                        |
| Inventories                                                                            | 12       | 25,965                                 | 20,276                                 |
| Financial assets                                                                       |          |                                        |                                        |
| Investments                                                                            | 13       | 6,003                                  | 4,063                                  |
| Trade receivables                                                                      | 14       | 15,062                                 | 11,387                                 |
| Cash and cash equivalents                                                              | 15       | 420                                    | 328                                    |
| Bank balances other than cash and cash equivalents                                     | 16       | 1,550                                  | 2,363                                  |
| Loans                                                                                  | 17       | 87                                     | 87                                     |
| Other financial assets                                                                 | 18       | 132                                    | 333                                    |
| Other current assets                                                                   | 19       | 5,659                                  | 4,483                                  |
| <b>Total current assets</b>                                                            |          | <b>54,878</b>                          | <b>43,320</b>                          |
| <b>3 Assets classified as held for sale</b>                                            | 20       | <b>894</b>                             | <b>1,124</b>                           |
| <b>TOTAL ASSETS</b>                                                                    |          | <b>97,393</b>                          | <b>81,485</b>                          |
| <b>II. EQUITY AND LIABILITIES</b>                                                      |          |                                        |                                        |
| <b>1 Equity</b>                                                                        |          |                                        |                                        |
| Equity share capital                                                                   | 21       | 2,244                                  | 2,244                                  |
| Other equity                                                                           | 22       | 72,748                                 | 68,234                                 |
| <b>Total equity</b>                                                                    |          | <b>74,992</b>                          | <b>70,478</b>                          |
| <b>2 Liabilities</b>                                                                   |          |                                        |                                        |
| <b>Non-current liabilities</b>                                                         |          |                                        |                                        |
| Financial liabilities                                                                  |          |                                        |                                        |
| Borrowings                                                                             | 23       | 1,882                                  | 107                                    |
| Lease liabilities                                                                      | 24       | 1,932                                  | 1,336                                  |
| Other financial liabilities                                                            | 25       | 35                                     | 35                                     |
| Deferred tax liabilities (net)                                                         | 26       | 691                                    | 866                                    |
| Provisions                                                                             | 27       | 376                                    | 269                                    |
| <b>Total non-current liabilities</b>                                                   |          | <b>4,916</b>                           | <b>2,613</b>                           |
| <b>Current liabilities</b>                                                             |          |                                        |                                        |
| Financial liabilities                                                                  |          |                                        |                                        |
| Borrowings                                                                             | 28       | 8,768                                  | 50                                     |
| Lease liabilities                                                                      | 29       | 41                                     | 130                                    |
| Trade payables                                                                         | 30       |                                        |                                        |
| Total outstanding dues of micro enterprises and small enterprises                      |          | 641                                    | 412                                    |
| Total outstanding dues of creditors other than micro enterprises and small enterprises |          | 3,657                                  | 3,833                                  |
| Other financial liabilities                                                            | 31       | 1,040                                  | 447                                    |
| Other current liabilities                                                              | 32       | 2,900                                  | 3,363                                  |
| Provisions                                                                             | 33       | 224                                    | 159                                    |
| Current tax liabilities (net)                                                          | 10       | 214                                    | -                                      |
| <b>Total current liabilities</b>                                                       |          | <b>17,485</b>                          | <b>8,394</b>                           |
| <b>TOTAL EQUITY AND LIABILITIES</b>                                                    |          | <b>97,393</b>                          | <b>81,485</b>                          |

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

**For Suresh Surana & Associates LLP**

Chartered Accountants

Firm's Registration No: 121750W/W100010

**Vinodkumar Varma**

Partner

Membership No. 105545

**For and on behalf of the Board of Directors**

**Pushkar Khurana**

Chairman and Executive Director

DIN: 00040489

Place : Dubai

Date : 23 May 2025

**Sanjiv Kapur**

Chief Financial Officer

Place : Mumbai

Date : 23 May 2025

**Puneet Khurana**

Managing Director

DIN: 00004074

Place : Mumbai

Date : 23 May 2025

**Vishal Totla**

Company Secretary

Membership No: A26757

Place : Mumbai

Date : 23 May 2025

Place : Mumbai  
Date : 23 May 2025

## STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2025

|                                                                               | Note No. | Year Ended<br>31 March 2025<br>(₹ in lakhs) | Year Ended<br>31 March 2024<br>(₹ in lakhs) |
|-------------------------------------------------------------------------------|----------|---------------------------------------------|---------------------------------------------|
| Revenue from operations                                                       | 34       | 94,622                                      | 77,152                                      |
| Other income                                                                  | 35       | 1,391                                       | 1,062                                       |
| <b>Total Income</b>                                                           |          | <b>96,013</b>                               | <b>78,214</b>                               |
| <b>Expenses:</b>                                                              |          |                                             |                                             |
| Cost of materials consumed                                                    | 36       | 59,965                                      | 44,711                                      |
| Purchases of stock-in-trade                                                   | 37       | 155                                         | 315                                         |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | 38       | (2,388)                                     | 1,802                                       |
| Employee benefits expense                                                     | 39       | 4,067                                       | 3,446                                       |
| Finance costs                                                                 | 40       | 920                                         | 343                                         |
| Depreciation and amortisation                                                 | 3,5 & 6  | 2,463                                       | 2,356                                       |
| Other expenses                                                                | 41       | 22,760                                      | 17,795                                      |
| <b>Total Expenses</b>                                                         |          | <b>87,942</b>                               | <b>70,768</b>                               |
| <b>Profit before exceptional items and tax</b>                                |          | <b>8,071</b>                                | <b>7,446</b>                                |
| Exceptional items gain/ (loss) (net)                                          | 42       | (648)                                       | (217)                                       |
| <b>Profit before tax</b>                                                      |          | <b>7,423</b>                                | <b>7,229</b>                                |
| <b>Tax expense/ (credit)</b>                                                  | 43       |                                             |                                             |
| Current tax                                                                   |          | 2,258                                       | 1,697                                       |
| Deferred tax                                                                  |          | (165)                                       | 146                                         |
|                                                                               |          | <b>2,093</b>                                | <b>1,843</b>                                |
| <b>Profit after tax</b>                                                       |          | <b>5,330</b>                                | <b>5,386</b>                                |
| <b>Other comprehensive income/ (loss) (net of tax)</b>                        |          |                                             |                                             |
| <b>Items that will not be reclassified to profit or loss</b>                  |          |                                             |                                             |
| i) Remeasurements of defined employee benefit plans                           |          | (75)                                        | 6                                           |
| ii) Equity instruments at fair value through other comprehensive income       |          | 34                                          | (9)                                         |
| iii) Income tax relating to above items                                       |          | 10                                          | 1                                           |
| <b>Total other comprehensive income/ (loss) (net of tax)</b>                  |          | <b>(31)</b>                                 | <b>(2)</b>                                  |
| <b>Total comprehensive income for the year (net of tax)</b>                   |          | <b>5,299</b>                                | <b>5,384</b>                                |
| <b>Earnings per equity share</b>                                              | 52       |                                             |                                             |
| Basic and diluted (in ₹)                                                      |          | 4.75                                        | 4.80                                        |
| Face value per share (in ₹)                                                   |          | 2.00                                        | 2.00                                        |

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

**For Suresh Surana & Associates LLP**

Chartered Accountants

Firm's Registration No: 121750W/W100010

**Vinodkumar Varma**

Partner

Membership No. 105545

Place : Mumbai

Date : 23 May 2025

**For and on behalf of the Board of Directors**

**Pushkar Khurana**

Chairman and Executive Director

DIN: 00040489

Place : Dubai

Date : 23 May 2025

**Sanjiv Kapur**

Chief Financial Officer

Place : Mumbai

Date : 23 May 2025

**Puneet Khurana**

Managing Director

DIN: 00004074

Place : Mumbai

Date : 23 May 2025

**Vishal Totla**

Company Secretary

Membership No: A26757

Place : Mumbai

Date : 23 May 2025

**STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025**

|                                                                                                    | Year Ended<br>31 March 2025<br>(₹ in lakhs) | Year Ended<br>31 March 2024<br>(₹ in lakhs) |
|----------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| <b>A. Cash flow from operating activities</b>                                                      |                                             |                                             |
| Profit before tax                                                                                  | 7,423                                       | 7,229                                       |
| Adjustments for :                                                                                  |                                             |                                             |
| Bad debts written off                                                                              | 157                                         | 492                                         |
| Provision for doubtful debts                                                                       | 216                                         | -                                           |
| Excess provision written back of inventories                                                       | (34)                                        | (61)                                        |
| Unrealised foreign exchange loss                                                                   | 1                                           | 6                                           |
| Depreciation and amortisation                                                                      | 2,463                                       | 2,356                                       |
| Impairment of property, plant and equipment and capital work-in-progress                           | 648                                         | 217                                         |
| Provision for returns                                                                              | 22                                          | 27                                          |
| (Profit) / loss on sale of property, plant and equipment (net)                                     | 1                                           | (8)                                         |
| Gain on fair valuation of current investment (FVTPL)                                               | (428)                                       | (58)                                        |
| Realised (gain) / loss on redemption of current investments                                        | (13)                                        | (5)                                         |
| Provisions / liabilities no longer required written back                                           | -                                           | (272)                                       |
| Lease rent income                                                                                  | (163)                                       | (133)                                       |
| Interest income                                                                                    | (161)                                       | (109)                                       |
| Finance costs                                                                                      | 920                                         | 343                                         |
| <b>Operating profit before working capital changes</b>                                             | <b>11,052</b>                               | <b>10,024</b>                               |
| Adjustment for :                                                                                   |                                             |                                             |
| (Increase) / decrease in inventories                                                               | (5,655)                                     | 8,352                                       |
| (Increase) / decrease in trade and other receivables                                               | (5,087)                                     | (334)                                       |
| Increase / (decrease) in trade and other payables                                                  | 3                                           | (13)                                        |
| <b>Operating profit after working capital changes</b>                                              | <b>313</b>                                  | <b>18,029</b>                               |
| Direct taxes paid (net of refunds)                                                                 | (2,074)                                     | (2,453)                                     |
| <b>Net cash generated from / (used in) operating activities (A)</b>                                | <b>(1,761)</b>                              | <b>15,576</b>                               |
| <b>B. Cash flow from investing activities</b>                                                      |                                             |                                             |
| <b>Inflow:</b>                                                                                     |                                             |                                             |
| Interest received                                                                                  | 133                                         | 103                                         |
| Sale of current investments                                                                        | 550                                         | 400                                         |
| Sale of property, plant and equipment                                                              | 58                                          | 14                                          |
| Lease rent received                                                                                | 163                                         | 133                                         |
| Fixed deposits matured (net)                                                                       | 942                                         | -                                           |
|                                                                                                    | <b>1,846</b>                                | <b>650</b>                                  |
| <b>Outflow:</b>                                                                                    |                                             |                                             |
| Purchase of property, plant and equipment / intangible assets (including capital work-in-progress) | 6,620                                       | 5,092                                       |
| Purchase of current investments                                                                    | 2,050                                       | 4,400                                       |
| Fixed deposits placed (net)                                                                        | -                                           | 1,803                                       |
|                                                                                                    | <b>8,670</b>                                | <b>11,295</b>                               |
| <b>Net cash used in investing activities (B)</b>                                                   | <b>(6,824)</b>                              | <b>(10,645)</b>                             |

## STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

|                                                                         | Year Ended<br>31 March 2025<br>(₹ in lakhs) | Year Ended<br>31 March 2024<br>(₹ in lakhs) |
|-------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| <b>C. Cash flow from financing activities</b>                           |                                             |                                             |
| <b>Inflow:</b>                                                          |                                             |                                             |
| Proceeds from non-current borrowings                                    | 2,023                                       | -                                           |
| Proceeds from current borrowings                                        | 8,469                                       | -                                           |
|                                                                         | 10,492                                      | -                                           |
| <b>Outflow:</b>                                                         |                                             |                                             |
| Repayment of non-current borrowings                                     | -                                           | 31                                          |
| Repayment of current borrowings                                         | -                                           | 4,809                                       |
| Dividend paid                                                           | 783                                         | 785                                         |
| Finance costs paid                                                      | 736                                         | 343                                         |
| Payments of lease liabilities                                           | 296                                         | 188                                         |
|                                                                         | 1,815                                       | 6,156                                       |
| <b>Net cash generated from / (used in) financing activities (C)</b>     | 8,677                                       | (6,156)                                     |
| <b>Net decrease in cash and cash equivalents (A+B+C)</b>                | 92                                          | (1,225)                                     |
| Add: Cash and cash equivalents at the beginning of the year             | 328                                         | 1,553                                       |
| <b>Cash and cash equivalents at the end of the year [refer note 15]</b> | 420                                         | 328                                         |
| <b>Cash and cash equivalents comprises of the following:</b>            |                                             |                                             |
| Cash on hand                                                            | 29                                          | 27                                          |
| Balances with banks - Current accounts                                  | 91                                          | 301                                         |
| Deposits with maturity of less than three months                        | 300                                         | -                                           |

**Notes:**

- (i) Figures in brackets represent cash outflow.
- (ii) The above Standalone Statement of Cash Flows has been prepared under indirect method as set out in Ind AS 7, Statement of Cash Flows.

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

**For Suresh Surana & Associates LLP**

Chartered Accountants

Firm's Registration No: 121750W/W100010

**Vinodkumar Varma**

Partner

Membership No. 105545

Place : Mumbai

Date : 23 May 2025

**For and on behalf of the Board of Directors**

**Pushkar Khurana**

Chairman and Executive Director

DIN: 00040489

Place : Dubai

Date : 23 May 2025

**Sanjiv Kapur**

Chief Financial Officer

Place : Mumbai

Date : 23 May 2025

**Puneet Khurana**

Managing Director

DIN: 00004074

Place : Mumbai

Date : 23 May 2025

**Vishal Totla**

Company Secretary

Membership No: A26757

Place : Mumbai

Date : 23 May 2025

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

**Equity share capital**

(₹ in lakhs)

|                                 | Note No. | Number of shares    | Amount       |
|---------------------------------|----------|---------------------|--------------|
| <b>As at 1 April 2023</b>       |          | <b>11,22,07,682</b> | <b>2,244</b> |
| Changes in equity share capital |          | -                   | -            |
| <b>As at 31 March 2024</b>      | 21       | <b>11,22,07,682</b> | <b>2,244</b> |
| Changes in equity share capital |          | -                   | -            |
| <b>As at 31 March 2025</b>      |          | <b>11,22,07,682</b> | <b>2,244</b> |

**Other equity**

(₹ in lakhs)

|                                                              | Reserves and surplus |                 |                   |                                                                     | Total         |
|--------------------------------------------------------------|----------------------|-----------------|-------------------|---------------------------------------------------------------------|---------------|
|                                                              | Securities premium   | General reserve | Retained earnings | Equity instruments at fair value through other comprehensive income |               |
| <b>Opening balance as at 1 April 2023</b>                    | <b>24,789</b>        | <b>7,491</b>    | <b>31,065</b>     | <b>290</b>                                                          | <b>63,635</b> |
| <b>Transactions during the year</b>                          |                      |                 |                   |                                                                     |               |
| Net profit for the year                                      | -                    | -               | 5,386             | -                                                                   | <b>5,386</b>  |
| Dividend for the Year 2022-23                                | -                    | -               | (785)             | -                                                                   | <b>(785)</b>  |
| Other comprehensive income / (loss) for the year, net of tax | -                    | -               | 5                 | (7)                                                                 | <b>(2)</b>    |
| <b>Closing balance as at 31 March 2024</b>                   | <b>24,789</b>        | <b>7,491</b>    | <b>35,671</b>     | <b>283</b>                                                          | <b>68,234</b> |
| <b>Transactions during the year</b>                          |                      |                 |                   |                                                                     |               |
| Net profit for the year                                      | -                    | -               | 5,330             | -                                                                   | <b>5,330</b>  |
| Dividend for the Year 2023-24                                | -                    | -               | (785)             | -                                                                   | <b>(785)</b>  |
| Other comprehensive income/(loss) for the year, net of tax   | -                    | -               | (56)              | 25                                                                  | <b>(31)</b>   |
| <b>Closing balance as at 31 March 2025</b>                   | <b>24,789</b>        | <b>7,491</b>    | <b>40,160</b>     | <b>308</b>                                                          | <b>72,748</b> |

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached  
**For Suresh Surana & Associates LLP**  
Chartered Accountants  
Firm's Registration No: 121750W/W100010

**Vinodkumar Varma**  
Partner  
Membership No. 105545

Place : Mumbai  
Date : 23 May 2025

**For and on behalf of the Board of Directors**

**Pushkar Khurana**  
Chairman and Executive Director  
DIN: 00040489  
Place : Dubai  
Date : 23 May 2025

**Sanjiv Kapur**  
Chief Financial Officer

Place : Mumbai  
Date : 23 May 2025

**Puneet Khurana**  
Managing Director  
DIN: 00004074  
Place : Mumbai  
Date : 23 May 2025

**Vishal Totla**  
Company Secretary  
Membership No: A26757  
Place : Mumbai  
Date : 23 May 2025

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### NOTE 1:

#### Company information

Everest Kanto Cylinder Limited ('the Company') is a public limited company domiciled and incorporated in India in 1978. The registered and corporate office of the Company is situated at 204, Raheja Centre, Free Press Journal Marg, 214, Nariman Point, Mumbai – 400 021, Maharashtra, India. The Company is engaged in the manufacture of high-pressure seamless gas cylinders and other cylinders, equipment, appliances and tanks with their parts and accessories, used for containing and storage of natural gas and other gases, liquids and air. Further, the Company is engaged in the trading of fire extinguishment and related equipment and castor oil. The Company is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

### NOTE 2:

#### Material accounting policies and other explanatory information

##### (A) Basis of preparation

###### (i) Compliance with Ind AS

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI). The accounting policies are applied consistently to all the periods presented in the financial statements.

###### (ii) Historical cost convention

The standalone financial statements have been prepared on a historical cost convention and accrual basis, except for the following assets and liabilities:

1. Certain financial assets and liabilities that are measured at fair value;
2. Assets held for sale – measured at lower of carrying amount or fair value less cost to sell; and
3. Defined benefit plans - plan assets measured at fair value.

###### (iii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (i.e. 12 months) and other criteria set out in Schedule III to the Act.

###### (iv) Rounding of amounts

All amounts disclosed in the standalone financial statements and notes have been rounded off to the

nearest lakh as per the requirement of Schedule III, unless otherwise stated.

##### (B) Use of estimates and judgements

The estimates and judgements used in the preparation of the standalone financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the year in which the results are known/materialized.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

##### (C) Material accounting policies:

###### 1. Property, plant and equipment

Property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, the cost of replacing a part of plant and equipment and borrowing costs if capitalisation criteria are met and any attributable cost of bringing the asset to its working condition and location for the intended use. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Spare parts are capitalized when they meet the definition of property, plant and equipment i.e., when the Company intends to use them for more than a period of 12 months.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the standalone statement of profit and loss during the year in which they are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the standalone statement of profit and loss when the asset is derecognised.

The freehold land is carried at historical cost. Property, plant and equipment, which are not ready for their

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

intended use as on balance sheet date are disclosed as 'Capital-work-in progress'. Capital-work-in progress is stated at cost less accumulated impairment loss, if any. Such items are classified to the appropriate category of Property, plant and equipment, when completed and ready for their intended use.

### Depreciation:

- (i) Depreciation is provided on the straight line method as per the useful life prescribed in Schedule II to the Act, with residual value of 5%, except in respect of the following categories of the assets, in whose case the useful life of the assets have been assessed based on the technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturer's warranties and maintenance support, etc.

Plant and equipment: 8 to 30 years

Gas cylinders: 25 years

Significant components of each of the individual assets are depreciated separately over their respective useful lives; the remaining components are depreciated over the life of the principal asset.

- (ii) Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the date of such addition or upto the date of such sale/disposal as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

## 2. Intangible Assets

Intangible assets are stated at cost net of accumulated amortisation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the intangible assets.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

Computer software are capitalised at the amounts paid to acquire the respective license for use and are amortised over the estimated useful economic life. The assets' useful lives are reviewed at each financial year end.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised on straight line basis over the estimated useful economic life. The amortisation expense on intangible assets with finite life is recognised in the standalone statement of profit and

loss under the head 'Depreciation and amortization expense'.

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the standalone statement of profit and loss when the asset is derecognised.

## 3. Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment, if any.

Depreciation on building is provided over its useful life using the straight line method, in a manner similar to PPE.

Useful life considered for calculation of depreciation for assets class is as follows:

Non-Factory Building 60 years

The freehold land is carried at historical cost. Investment property is derecognized on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

## 4. Investment in subsidiaries

Investments in subsidiaries are carried at cost less impairment, if any

## 5. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

### As a lessee

At lease commencement date, the Company recognises a right-of-use asset and lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liabilities, any initial direct costs incurred by

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

the Company and any lease payments made in advance of the lease commencement date.

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date of lease, the Company measures the lease liabilities at the present value of the lease payments to be made over the lease term, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate to measure lease liabilities.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance, fixed), and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest expenses. It is remeasured to reflect any reassessment or modification.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or standalone statement of profit and loss, as the case may be.

The Company has elected to account for short-term leases and leases of low-value assets using the exemption given under Ind AS 116, 'Leases'. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in standalone statement of profit and loss on a straight-line basis over the lease term or on another systematic basis if that basis is more representative of the pattern of the Company's benefit.

### As a lessor

Leases for which the Company is a lessor, classified as finance or operating lease.

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

### 6. Cash and cash equivalents

For the purpose of presentation in the standalone statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with

financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

### 7. Inventories

- (i) Raw Materials and components, Work-in-progress, Finished goods and Stock-in-trade are valued at lower of cost or net realisable value.
- (ii) Goods in transit are valued at cost to date.
- (iii) 'Cost' includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating output. Cost formulae used is 'First In First Out'.
- (iv) Inter-unit transfers are valued either at works or factory costs of the transferor unit.
- (v) Stores and spares are inventories that do not qualify to be recognised as property, plant and equipment and consists of packing materials, engineering spares (such as machinery spare parts) which are used in operating machines or consumed as indirect materials in the manufacturing process. Stores and spares, excluding certain gases are charged to standalone statement of profit and loss during the year in which they are purchased.

The factors that the Company considers in determining the provision for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes and ageing of inventory, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

### 8. Investments and financial assets

#### Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit or loss), and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

For assets measured at fair value, gains and losses will either be recorded in standalone statement of profit and loss or other comprehensive income / (loss). For investments in equity instruments, it will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

### Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the profit and loss are expensed in the standalone statement of profit and loss.

### Measurement of debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following categories:

1. **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interests are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.
2. **Fair value through profit and loss:** Assets that do not meet the criteria for amortised cost are measured at fair value through statement of Profit and Loss. Interest income from these financial assets is included in other income.

### Measurement of equity instruments

The Company measures its equity investment other than in subsidiaries at fair value through profit and loss. However, where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income, there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss.

### Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

### De-recognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### 9. Impairment of non-financial assets

The carrying amount of the non-financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal /external factors. An impairment loss is recognised whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its fair value less costs of disposal and its value in use. Impairment loss is recognised in the standalone statement of profit and loss.

After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there was no impairment.

### 10. Asset classified as held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell.

An impairment loss is recognised during initial recognition or subsequent write down of the assets to the fair value less cost to sell of an asset. A gain is

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

recognised for any subsequent increase in the fair value less cost to sell of an asset but not in excess of cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Assets held for sale are presented separately from the other assets in the standalone balance sheet.

The Company measures a non-current asset that ceases to be classified as held for sale (or ceases to be included in a disposal classified as held for sale) at the lower of its carrying amount before the asset was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset not been classified as held for sale, and its recoverable amount at the date of the subsequent decision not to sell.

### 11. Borrowings and other financial liabilities

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently, all financial liabilities are measured at amortised cost using the effective interest rate method.

Borrowings are derecognised from the standalone balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in standalone statement of profit and loss. The gain / loss is recognised in other equity in case of transaction with shareholders.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

### 12. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### 13. Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present obligation as a result of past events and it is

probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the amount required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects the current market assessments of time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense. The provisions are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

Contingent assets are not recognised in the standalone financial statements. However, it is recognised only when an inflow of economic benefits is probable.

### 14. Revenue Recognition

Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products or services to customers, at an amount that reflects the consideration expected to be received by the Company in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and returns, etc., if any.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- (i) The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- (ii) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- (iii) The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods to a customer

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional. Generally, the credit period upto 45-60 days from the shipment or delivery of goods as the case may be. Consideration are determined based on its most likely amount.

The Company recognises provision for sales return, based on the historical results. The Company accounts for sales returns accrual by recording an allowance for sales returns concurrent with the recognition of revenue at the time of sale of product. The estimate of sales returns is determined primarily by the Company's historical experience in the markets in which the Company operates.

Export benefits are recognised in the year of export when right to receive the benefit is established and conditions attached to the benefits are satisfied.

### Trade Receivable:

Trade receivables are amounts due from customers for goods sold in the ordinary course of business and reflects company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

### 15. Other Income

Interest income for all debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend is recognised in standalone statement of profit and loss only when the right to receive payment is established.

### 16. Employee Benefits

**a) Short term employee benefits:** All employee benefits which are due within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, short term compensated absences, etc.

and the expected cost of bonus, ex-gratia are recognised in the year in which the employee renders the related service.

### b) Post-employment benefits

**(i) Defined Contribution Plans:** Company's contribution to the state governed provident fund scheme, Employees State Insurance corporation (ESIC), etc. are recognised during the year in which the related service is rendered.

**(ii) Gratuity:** The Company has an obligation towards gratuity, a defined benefit plan covering eligible employees. The Company account for the liability towards future payments of gratuity to employees, on actuarial valuation basis, using Projected Unit Credit Method as at balance sheet date and the charge for current year is debited to the standalone statement of profit and loss. Actuarial gains and losses arising on the measurement/remeasurement of defined benefit obligation is charged/ credited to Other comprehensive income. The fair value of the plan assets is reduced from the gross obligation under the defined benefit plan to recognise the obligation on net basis.

**(iii) Compensated absences:** Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Employees generally have an unconditional right to avail the accumulated leaves, however there are certain circumstances which also gives a right to the Company to defer the employee's leave (for example: Company's right to postpone/ deny the leave, restriction to avail leave in the next year for a maximum number of days etc.). Thus, for the bifurcation of provision between current and non-current, actuarial services are availed.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long-term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the standalone statement of profit and loss in the year in which they arise.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

- c) **Termination Benefits:** These are recognised as an expense in the standalone statement of profit and loss of the year in which they are incurred.

### 17. Foreign Currency Transactions and Translations

#### (i) Functional and presentation currency

The standalone financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency

#### (ii) Transactions and balances

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the standalone statement of profit and loss. Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the standalone statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not translated thereafter.

### 18. Income tax

Tax expense comprise of current income tax and deferred income tax and include any adjustment related to past periods. Current and deferred tax is recognised in the standalone statement of profit and loss, except to the extent it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The income tax expense for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted for changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is accounted in full, using the Balance Sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the standalone financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the

tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. The uncertain tax positions are measured at the amount expected to be paid to taxation authorities when the Company determines that the probable outflow of economic resources will occur. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

### 19. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the standalone balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### 20. Exceptional items

When items of income and expense within standalone statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the year, the nature and amount of such material items are disclosed separately as exceptional items.

### (D) Critical estimates and judgements

The preparation of standalone financial statements in conformity with Ind AS requires estimates and assumptions to be made by the management of the Company that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

The Management believes that these estimates are prudent and reasonable and are based upon the Management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the year in which the results are known or materialised.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

**(i) Estimated useful life of property, plant and equipment, intangible assets, and investment property:**

The Company reviews the useful lives of property, plant and equipment, investment properties and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortization expense in future periods.

**(ii) Impairment of carrying value of property, plant and equipment, capital work-in-progress, intangible assets and investment property:**

The recoverable amount of property, plant and equipment, capital work-in-progress is based on estimates and assumptions regarding the expected Depreciated Replacement Cost (DRC) method under Cost Approach. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

**(iii) Fair value less cost to sell for assets classified as held for sale:**

The fair valuation of the investment property is determined using 'Sales Comparison Method' under Market Approach using composite rate of commercial offices by comparing the investment property with similar properties that have recently been sold near the location of investment property. Comparable properties are selected for similarity to the subject property by considering attributes like age, size, shape, quality of construction, building features, condition, design, etc.

**(iv) Estimation of current tax expenses and recognition of deferred tax assets:**

The Company calculates income tax expense based on reported income and estimated exemptions / deduction likely available to the Company. Recognition of deferred tax assets depends upon the availability of future profits against which tax losses carried forward can be used.

**(v) Probable outcome of matters included under contingent liabilities:**

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/ litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

**(vi) Provision for doubtful debts:**

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss (ECL) model. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience. Individual trade receivables are written off if the same are not collectible.

**(vii) Estimation of Defined benefit obligation:**

The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates. Due to the long term nature of these plans, such estimates are subject to significant uncertainty.

**(viii) Leases – Estimating the incremental borrowing rate:**

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the fund necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

**(E) Recent Accounting Pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable w.e.f. 01 April 2024. The Company has assessed and based on its evaluation has determined that there is no significant impact on its financial statements.

On 9 May 2025, MCA notified the amendment to Ind AS 21 – Effect of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after 1 April 2025. The Company is currently assessing the probable impact of these amendments on its financial statements.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**
**3 Property, plant and equipment (PPE)**

|                                                                         |               |                                       |                                                       |                        |            |                  |            |               |                           |                                       | Right of Use Assets | (₹ in lakhs)  |
|-------------------------------------------------------------------------|---------------|---------------------------------------|-------------------------------------------------------|------------------------|------------|------------------|------------|---------------|---------------------------|---------------------------------------|---------------------|---------------|
|                                                                         | Freehold land | Buildings [Refer footnotes(ii) below] | Plant and equipment [Refer note (iii) and (iv) below] | Furniture and fixtures | Vehicles   | Office equipment | Com-puters | Gas Cylinders | Electrical Install-ations | Leasehold land [Refer note (i) below] | Build-ings          | Total         |
| <b>Gross carrying amount</b>                                            |               |                                       |                                                       |                        |            |                  |            |               |                           |                                       |                     |               |
| <b>Balance at 1 April 2023</b>                                          | <b>884</b>    | <b>7,142</b>                          | <b>34,855</b>                                         | <b>434</b>             | <b>593</b> | <b>219</b>       | <b>863</b> | <b>29</b>     | <b>720</b>                | <b>267</b>                            | <b>1,773</b>        | <b>47,779</b> |
| Additions                                                               | 18            | 36                                    | 3,775                                                 | 16                     | 15         | 9                | 18         | -             | 85                        | -                                     | 472                 | 4,444         |
| Disposals                                                               | -             | -                                     | 47                                                    | -                      | 50         | -                | -          | -             | -                         | -                                     | -                   | 97            |
| Asset classified as held for sale [Refer note (iv) below and note (20)] | -             | -                                     | 189                                                   | -                      | 16         | 11               | 16         | -             | -                         | -                                     | -                   | 232           |
| <b>Balance at 31 March 2024</b>                                         | <b>902</b>    | <b>7,178</b>                          | <b>38,394</b>                                         | <b>450</b>             | <b>542</b> | <b>217</b>       | <b>865</b> | <b>29</b>     | <b>805</b>                | <b>267</b>                            | <b>2,245</b>        | <b>51,894</b> |
| Additions                                                               | 80            | 110                                   | 853                                                   | 126                    | 192        | 63               | 19         | -             | 5                         | -                                     | 624                 | 2,072         |
| Disposals                                                               | -             | -                                     | 205                                                   | -                      | 105        | -                | -          | -             | 1                         | -                                     | -                   | 311           |
| Asset classified as held for sale [Refer note (iv) below and note (20)] | -             | -                                     | 796                                                   | -                      | -          | -                | -          | -             | -                         | -                                     | -                   | 796           |
| <b>Balance at 31 March 2025</b>                                         | <b>982</b>    | <b>7,288</b>                          | <b>38,246</b>                                         | <b>576</b>             | <b>629</b> | <b>280</b>       | <b>884</b> | <b>29</b>     | <b>809</b>                | <b>267</b>                            | <b>2,869</b>        | <b>52,859</b> |
| <b>Accumulated depreciation/amortisation</b>                            |               |                                       |                                                       |                        |            |                  |            |               |                           |                                       |                     |               |
| <b>Balance as at 1 April 2023</b>                                       | <b>-</b>      | <b>2,951</b>                          | <b>21,442</b>                                         | <b>256</b>             | <b>208</b> | <b>168</b>       | <b>788</b> | <b>17</b>     | <b>549</b>                | <b>173</b>                            | <b>603</b>          | <b>27,155</b> |
| Depreciation/amortisation charge for the year                           | -             | 150                                   | 1,769                                                 | 22                     | 64         | 15               | 18         | 1             | 29                        | 1                                     | 235                 | 2,304         |
| Impairment [Refer note (iv) below]                                      | -             | -                                     | 75                                                    | -                      | -          | -                | -          | -             | -                         | -                                     | -                   | 75            |
| On disposals                                                            | -             | -                                     | 44                                                    | -                      | 47         | -                | -          | -             | -                         | -                                     | -                   | 91            |
| Asset classified as held for sale [Refer note (iv) below and note (20)] | -             | -                                     | 164                                                   | -                      | 14         | 10               | 15         | -             | -                         | -                                     | -                   | 203           |
| <b>Balance as at 31 March 2024</b>                                      | <b>-</b>      | <b>3,101</b>                          | <b>23,078</b>                                         | <b>278</b>             | <b>211</b> | <b>173</b>       | <b>791</b> | <b>18</b>     | <b>578</b>                | <b>174</b>                            | <b>838</b>          | <b>29,240</b> |
| Depreciation/amortisation charge for the year                           | -             | 152                                   | 1,887                                                 | 29                     | 65         | 16               | 18         | 1             | 28                        | 1                                     | 202                 | 2,399         |
| Impairment [Refer note (iv) below]                                      | -             | -                                     | 20                                                    | -                      | -          | -                | -          | -             | -                         | -                                     | -                   | 20            |
| On disposals                                                            | -             | -                                     | 194                                                   | -                      | 57         | -                | -          | -             | 1                         | -                                     | -                   | 252           |
| Asset classified as held for sale [Refer note (iv) below and note (20)] | -             | -                                     | 752                                                   | -                      | -          | -                | -          | -             | -                         | -                                     | -                   | 752           |
| <b>Balance as at 31 March 2025</b>                                      | <b>-</b>      | <b>3,253</b>                          | <b>24,039</b>                                         | <b>307</b>             | <b>219</b> | <b>189</b>       | <b>809</b> | <b>19</b>     | <b>605</b>                | <b>175</b>                            | <b>1,040</b>        | <b>30,655</b> |
| <b>Net carrying amount</b>                                              |               |                                       |                                                       |                        |            |                  |            |               |                           |                                       |                     |               |
| <b>As at 31 March 2024</b>                                              | <b>902</b>    | <b>4,077</b>                          | <b>15,316</b>                                         | <b>172</b>             | <b>331</b> | <b>44</b>        | <b>74</b>  | <b>11</b>     | <b>227</b>                | <b>93</b>                             | <b>1,407</b>        | <b>22,653</b> |
| <b>As at 31 March 2025</b>                                              | <b>982</b>    | <b>4,035</b>                          | <b>14,207</b>                                         | <b>269</b>             | <b>410</b> | <b>91</b>        | <b>75</b>  | <b>10</b>     | <b>204</b>                | <b>92</b>                             | <b>1,829</b>        | <b>22,202</b> |

**Notes:**

- Execution of lease deed is pending for two land parcels acquired at Tarapur Plant having gross carrying value ₹ 111 lakhs (31 March 2024: ₹111 lakhs).
- Includes ₹ 750 (31 March 2024: ₹ 750) paid for shares acquired in co-operative societies.
- The assets of the Company include certain plant and equipment (including capital work-in-progress) having net carrying amount of ₹ 2,965 lakhs (includes CWIP of ₹ 1,871 lakhs) as at 31 March 2025 (31 March 2024 net carrying amount of ₹ 2,999 lakhs includes CWIP of ₹ 1,438 lakhs); which have remained idle for a considerable period due to contraction in demand. Accordingly, management has performed impairment test on these assets and have recorded an impairment provision of ₹ 648 lakhs (includes impairment on CWIP of ₹ 628 lakhs for the current year) (31 March 2024: ₹ 217 lakhs (including impairment on CWIP of ₹ 142 lakhs)). Refer note 4 for CWIP.

Recoverable amount of the asset is derived by reducing cost of disposal from fair value. The aforesaid impairment loss is disclosed under exceptional items (Refer note 42).

**Details of valuation:**

- Level of the fair value hierarchy – Level 3
  - Description of the valuation technique – Depreciated Replacement Cost (DRC) method under Cost Approach
  - Key assumptions – Salvage value, costs of disposal, latest quotations with same / similar specifications, economic indices as per Reserve Bank of India, etc.
- During the year ended 31 March 2025, certain tangible assets having written down value of ₹ 44 lakhs (₹ 29 lakhs as at 31 March 2024) has been additionally classified as 'Assets classified as held for sale', pursuant to the decision of the Company to dispose off the same.
  - Disclosure of contractual commitments for the acquisition of property, plant and equipment [Refer note 48(B)(i)].
  - Information on property, plant and equipment pledged as security by the Company [Refer note 53].

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**
**4 Capital work in progress (CWIP) (₹ in lakhs)**

|                                 | Total         |
|---------------------------------|---------------|
| <b>Gross carrying amount</b>    |               |
| <b>Balance at 1 April 2023</b>  | <b>5,169</b>  |
| Additions of assets             | 5,089         |
| Capitalised during the year     | 3,932         |
| Impairment [Refer note 3(iii)]  | 142           |
| <b>Balance at 31 March 2024</b> | <b>6,184</b>  |
| Additions of assets             | 6,629         |
| Capitalised during the year     | 1,179         |
| Impairment [Refer note 3(iii)]  | 628           |
| <b>Balance at 31 March 2025</b> | <b>11,006</b> |
| <b>Net carrying amount</b>      |               |
| <b>As at 31 March 2024</b>      | <b>6,184</b>  |
| <b>As at 31 March 2025</b>      | <b>11,006</b> |

**Capital work in progress - ageing schedule**
**As at 31 March 2025**

(₹ in lakhs)

| CWIP                           | Amount in CWIP for a period of |           |           |                    | Total  |
|--------------------------------|--------------------------------|-----------|-----------|--------------------|--------|
|                                | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years* |        |
| Projects in progress           | 4,909                          | 2,147     | 2,632     | 1,318              | 11,006 |
| Projects temporarily suspended | -                              | -         | -         | -                  | -      |

\* The Company shall utilise these plant and machineries in future projects.

**As at 31 March 2024**

(₹ in lakhs)

| CWIP                           | Amount in CWIP for a period of |           |           |                    | Total |
|--------------------------------|--------------------------------|-----------|-----------|--------------------|-------|
|                                | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years* |       |
| Projects in progress           | 1,866                          | 2,372     | 572       | 1,374              | 6,184 |
| Projects temporarily suspended | -                              | -         | -         | -                  | -     |

\* The Company shall utilise these plant and machineries in future projects.

**5 Investment property (₹ in lakhs)**

|                                                                         | Freehold land | Buildings    | Total        |
|-------------------------------------------------------------------------|---------------|--------------|--------------|
| <b>Gross carrying amount</b>                                            |               |              |              |
| <b>Balance at 1 April 2023</b>                                          | -             | 2,500        | 2,500        |
| Additions                                                               | -             | -            | -            |
| Disposals                                                               | -             | -            | -            |
| <b>Balance at 31 March 2024</b>                                         | -             | 2,500        | 2,500        |
| Transfer from assets classified as held for sale (refer note (i) below) | 274           | -            | 274          |
| Disposals                                                               | -             | -            | -            |
| <b>Balance at 31 March 2025</b>                                         | <b>274</b>    | <b>2,500</b> | <b>2,774</b> |
| <b>Accumulated depreciation</b>                                         |               |              |              |
| <b>Balance as at 1 April 2023</b>                                       | -             | 154          | 154          |
| Depreciation charge for the year                                        | -             | 42           | 42           |

|                                    | Freehold land | Buildings | Total |
|------------------------------------|---------------|-----------|-------|
| On disposals                       | -             | -         | -     |
| <b>Balance as at 31 March 2024</b> | -             | 196       | 196   |
| Depreciation charge for the year   | -             | 42        | 42    |
| On disposals                       | -             | -         | -     |
| <b>Balance as at 31 March 2025</b> | -             | 238       | 238   |
| <b>Net carrying amount</b>         |               |           |       |
| <b>As at 31 March 2024</b>         | -             | 2,304     | 2,304 |
| <b>As at 31 March 2025</b>         | 274           | 2,262     | 2,536 |

**Fair value**

|                            |              |
|----------------------------|--------------|
| <b>As at 31 March 2024</b> | <b>3,285</b> |
| <b>As at 31 March 2025</b> | <b>6,437</b> |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

**Note:**

- (i) During the year ended 31 March 2017, the Company had entered into an agreement towards sale of agricultural land (the "Specified Assets"), situated at Gandhidham. However, pending receipt of relevant government approvals towards conversion of agricultural land to industrial land, the agricultural land was classified as 'Assets classified as held for sale'. The sales consideration and carrying value of the agricultural land is USD 4 Million and ₹ 274 lakhs as at 31 March 2025 (31 March 2024: USD 4 Million and ₹ 274 lakhs), respectively. An amount of USD 2 Million received during the year ended 31 March 2017 as an advance against the said agricultural land has been included in Note 32 - 'Other current liabilities'. During current year, the Company has entered into a lease agreement with the acquirer of the land for a period of 3 years. Pursuant to the execution of lease agreement, the Company has classified the said land to Investment Property from the earlier classification of Assets classified as held for sale.

(₹ in lakhs)

|                                                                                            | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Rental income derived from investment property [Refer note 35]                             | 163                         | 133                         |
| Direct operating expenses (including repairs and maintenance) for generating rental income | -                           | -                           |
| <b>Income arising from investment property before depreciation</b>                         | <b>163</b>                  | <b>133</b>                  |
| Depreciation charge for the year                                                           | 42                          | 42                          |
| <b>Income arising from investment property (Net)</b>                                       | <b>121</b>                  | <b>91</b>                   |

**Premises given on operating lease:**

For current year and previous year, the Company has two non-factory building premises on operating lease. These lease arrangements are for a period of 5 and 9 years and is a cancellable lease. The lease is renewable for further period on mutually agreeable terms.

**The total future minimum lease rentals receivable at the balance sheet date is as under:**

(₹ in lakhs)

|                                                                | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------------------------------------------|------------------------|------------------------|
| For a period not later than one year                           | 164                    | 143                    |
| For a period later than one year and not later than five years | 536                    | 634                    |
| For a period later than five years                             | -                      | -                      |

**Estimation of fair value**

The Company obtains independent valuations atleast annually. The fair valuation of the investment property have been determined by registered independent valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017, using 'Sales Comparison Method' under Market Approach using composite rate of commercial offices by comparing the investment property with similar properties that have recently been sold near the location of investment property. Comparable properties are selected for similarity to the subject property by considering attributes like age, size, shape, quality of construction, building features, condition, design, etc. The fair value measurement is categorised as level 3 fair value hierarchy.

**6 Intangible assets**

(₹ in lakhs)

|                                 | Computer<br>Software | Total      |
|---------------------------------|----------------------|------------|
| <b>Gross carrying amount</b>    |                      |            |
| Balance at 1 April 2023         | 291                  | 291        |
| Additions                       | 14                   | 14         |
| Disposals                       | -                    | -          |
| <b>Balance at 31 March 2024</b> | <b>305</b>           | <b>305</b> |
| Additions                       | 24                   | 24         |
| Disposals                       | -                    | -          |
| <b>Balance at 31 March 2025</b> | <b>329</b>           | <b>329</b> |
| <b>Accumulated amortisation</b> |                      |            |
| Balance as at 1 April 2023      | 246                  | 246        |

|                                    | Computer<br>Software | Total      |
|------------------------------------|----------------------|------------|
| Amortisation charge for the year   | 9                    | 9          |
| On disposals                       | -                    | -          |
| <b>Balance as at 31 March 2024</b> | <b>255</b>           | <b>255</b> |
| Amortisation charge for the year   | 23                   | 23         |
| On disposals                       | -                    | -          |
| <b>Balance as at 31 March 2025</b> | <b>278</b>           | <b>278</b> |
| <b>Net carrying amount</b>         |                      |            |
| As at 31 March 2024                | 50                   | 50         |
| As at 31 March 2025                | 51                   | 51         |

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**
**7 Non-current investments**

(₹ in lakhs)

|                                                                                                      | Face value of shares | Fully paid / partly paid  | As at 31 March 2025 |            | As at 31 March 2024 |            |
|------------------------------------------------------------------------------------------------------|----------------------|---------------------------|---------------------|------------|---------------------|------------|
|                                                                                                      |                      |                           | Quantity (Number)   | ₹ in lakhs | Quantity (Number)   | ₹ in lakhs |
| <b>Investment in equity shares</b>                                                                   |                      |                           |                     |            |                     |            |
| <b>(i) Investments in foreign subsidiaries (Unquoted - measured at cost)</b>                         |                      |                           |                     |            |                     |            |
| EKC International FZE                                                                                | AED 1                | Fully paid                | 1,62,03,619         | 1,993      | 1,62,03,619         | 1,993      |
| EKC International FZE (including deemed investment)                                                  | AED 1,000,000        | Fully paid                | 1                   | 174        | 1                   | 174        |
| <b>(ii) Investments in indian subsidiaries (Unquoted - measured at cost)</b>                         |                      |                           |                     |            |                     |            |
| Next Gen Cylinder Private Limited                                                                    | INR 10               | Fully paid                | 1,00,000            | 10         | 1,00,000            | 10         |
| Calcutta Compressions and Liquefaction Engineering Limited (CC&LEL)<br>[Refer note (i) below]        | INR 10               | Fully paid                | 22,12,000           | 245        | 22,12,000           | 245        |
| Calcutta Compressions and Liquefaction Engineering Limited [Refer note (i) below]                    | INR 10               | Partly paid (₹ 6/- share) | 44,24,000           | 200        | 44,24,000           | 200        |
| Less: Provision for impairment in value of investment                                                |                      |                           | –                   | (445)      | –                   | (445)      |
| <b>(iii) Equity investments measured at fair value through other comprehensive income (Unquoted)</b> |                      |                           |                     |            |                     |            |
| Everest Kanto Investment & Finance Private Limited                                                   | INR 10               | Fully paid                | 1,15,000            | 359        | 1,15,000            | 325        |
| GPT Steel Industries Private Limited                                                                 | INR 10               | Fully paid                | 20,00,000           | 200        | 20,00,000           | 200        |
| Less: Provision for impairment in value of investment                                                |                      |                           |                     | (200)      |                     | (200)      |
| Tarapur Environment Protection Society                                                               | INR 100              | Fully paid                | 5,852               | 8          | 5,852               | 8          |
| <b>Total investments in equity shares</b>                                                            |                      |                           |                     | 2,544      |                     | 2,510      |
| <b>Total non-current investments</b>                                                                 |                      |                           |                     | 2,544      |                     | 2,510      |
| <b>Aggregate amount of unquoted investments</b>                                                      |                      |                           |                     | 2,544      |                     | 2,510      |
| <b>Aggregate amount of impairment in value of investments</b>                                        |                      |                           |                     | 645        |                     | 645        |

**Notes:**

- (i) The net worth of CC&LEL has been fully eroded in earlier years and accordingly, investment in CC&LEL has been fully provided in prior period by the Company.
- (ii) Refer note 44 and 45 for information about fair value measurement, credit risk and market risk of investments.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

|                                                                                                                                | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|--------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>8 Trade receivables (non - current)</b>                                                                                     |                                        |                                        |
| Trade receivables                                                                                                              | 114                                    | 276                                    |
| Less : Allowance for expected credit loss                                                                                      | -                                      | -                                      |
| <b>Total</b>                                                                                                                   | <b>114</b>                             | <b>276</b>                             |
| <b>Break up of security details: Trade receivables</b>                                                                         |                                        |                                        |
| - Secured, considered good                                                                                                     | -                                      | -                                      |
| - Unsecured, considered good                                                                                                   | 114                                    | 276                                    |
| - Significant increase in credit risk                                                                                          | -                                      | -                                      |
| - Credit impaired                                                                                                              | -                                      | -                                      |
| Less : Impairment allowance                                                                                                    |                                        |                                        |
| - Allowance for expected credit loss                                                                                           | -                                      | -                                      |
| - Credit impaired                                                                                                              | -                                      | -                                      |
| <b>Total</b>                                                                                                                   | <b>114</b>                             | <b>276</b>                             |
| Refer note 45 for information about credit risk and market risk of trade receivables.<br>For ageing disclosure, refer note 14. |                                        |                                        |
| <b>9 Other non-current financial assets</b>                                                                                    |                                        |                                        |
| <b>Unsecured, considered good</b>                                                                                              |                                        |                                        |
| Deposits maturing over 12 months [Refer note (i) below]                                                                        | 586                                    | 715                                    |
| <b>Unsecured, considered good, unless otherwise stated</b>                                                                     |                                        |                                        |
| Security deposits                                                                                                              |                                        |                                        |
| - Unsecured, considered good                                                                                                   | 317                                    | 101                                    |
| - Significant increase in credit risk                                                                                          | -                                      | -                                      |
| - Credit impaired                                                                                                              | 239                                    | 239                                    |
| Less : Impairment allowance                                                                                                    |                                        |                                        |
| - Credit impaired                                                                                                              | (239)                                  | (239)                                  |
| <b>Total</b>                                                                                                                   | <b>903</b>                             | <b>816</b>                             |
| <b>Note:</b>                                                                                                                   |                                        |                                        |
| (i) Held as lien by bank against bank guarantees amounting to ₹ 586 lakhs<br>(₹ 715 lakhs as at 31 March 2024).                |                                        |                                        |
| Refer note 45 for information about credit risk and market risk for other<br>non-current financial assets.                     |                                        |                                        |
| <b>10 Non-current tax assets (net)</b>                                                                                         |                                        |                                        |
| Advance tax                                                                                                                    | 6,820                                  | 4,746                                  |
| Provision for taxation                                                                                                         | (6,463)                                | (4,205)                                |
| <b>Advance tax net of provision</b>                                                                                            | <b>357</b>                             | <b>541</b>                             |
| <b>11 Other non-current assets</b>                                                                                             |                                        |                                        |
| Unsecured, considered good                                                                                                     |                                        |                                        |
| - Capital advances                                                                                                             | 1,679                                  | 1,692                                  |
| - Deposits with government authorities                                                                                         | 15                                     | 15                                     |
| <b>Total</b>                                                                                                                   | <b>1,694</b>                           | <b>1,707</b>                           |

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

|                                                         | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|---------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>12 Inventories</b>                                   |                                        |                                        |
| Raw materials and components                            | 14,358                                 | 11,091                                 |
| Less: Provision for diminution in value [Refer note 36] | —                                      | (34)                                   |
| Work-in-progress                                        | 8,151                                  | 6,402                                  |
| Finished goods                                          | 3,420                                  | 2,494                                  |
| Finished goods - in transit                             | —                                      | 283                                    |
| Stock-in-trade                                          | 14                                     | 18                                     |
| Stores and spares                                       | 22                                     | 22                                     |
| <b>Total</b>                                            | <b>25,965</b>                          | <b>20,276</b>                          |

**Note:**

Inventory write downs are accounted, considering the nature of inventory, ageing and net realisable value. Write-downs of inventories amounted to Nil as at 31 March 2025 (as at 31 March 2024 - ₹ 34 lakhs). These write-downs were recognised as an expense and included in 'Cost of materials consumed' in the Statement of Profit and Loss.

**13 Current investments**

|                                                                                             | No. of Units | As at<br>31 March 2025 | No. of Units | As at<br>31 March 2024 |
|---------------------------------------------------------------------------------------------|--------------|------------------------|--------------|------------------------|
| <b>Investment in Mutual Funds - quoted (measured at fair value through profit and loss)</b> |              |                        |              |                        |
| ICICI Prudential Liquid Fund - Direct Growth Plan                                           | 89,855       | 345                    | 1,72,479     | 616                    |
| ICICI Prudential Short Term Fund - Direct Growth Plan                                       | 17,031       | 11                     | 4,27,136     | 252                    |
| ICICI Prudential Saving Fund - Direct Growth Plan                                           | 1,50,340     | 811                    | 50,401       | 252                    |
| HDFC Ultra Short Term Fund - Direct Growth Plan                                             | 36,27,102    | 551                    | 36,27,102    | 511                    |
| SBI Liquid Fund - Direct Growth Plan                                                        | 16,368       | 664                    | 16,368       | 619                    |
| Franklin India Money Market Fund - Direct Growth Plan                                       | 21,39,833    | 1,088                  | 21,39,833    | 1,008                  |
| Nippon India Money Market Fund - Direct Growth Plan                                         | 21,070       | 868                    | 21,070       | 805                    |
| Franklin India Corporate Debt Fund - Direct Growth                                          | 8,27,508     | 861                    | —            | —                      |
| Franklin India Ultra Short Duration Fund                                                    | 24,99,875    | 261                    | —            | —                      |
| HDFC Corporate Bond Fund                                                                    | 16,70,146    | 543                    | —            | —                      |
| <b>Total</b>                                                                                | —            | 6,003                  | —            | 4,063                  |
| <b>Aggregate amount of quoted investments at cost</b>                                       | —            | 5,527                  | —            | 4,005                  |
| <b>Aggregate amount of investments at market value</b>                                      | —            | 6,003                  | —            | 4,063                  |

|                                                        | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|--------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>14 Trade receivables (current)</b>                  |                                        |                                        |
| Trade receivables                                      | 15,631                                 | 11,816                                 |
| Trade receivables - related parties [Refer note 47]    | 85                                     | 9                                      |
| Less : Allowance for expected credit loss              | (654)                                  | (438)                                  |
| <b>Total</b>                                           | <b>15,062</b>                          | <b>11,387</b>                          |
| <b>Break up of security details: Trade receivables</b> |                                        |                                        |
| - Secured, considered good                             | —                                      | —                                      |
| - Unsecured, considered good                           | 15,122                                 | 11,431                                 |
| - Significant increase in credit risk                  | —                                      | —                                      |
| - Credit impaired                                      | 594                                    | 394                                    |
| Less : Impairment allowance                            |                                        |                                        |
| - Allowance for expected credit loss                   | (60)                                   | (44)                                   |
| - Credit impaired                                      | (594)                                  | (394)                                  |
| <b>Total</b>                                           | <b>15,062</b>                          | <b>11,387</b>                          |

Refer note 45 for information about credit risk and market risk of trade receivables.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

## Trade receivables ageing schedule - as at 31 March 2025

(₹ in lakhs)

|                                                                      | Outstanding for following periods from due date of invoice |                    |                   |             |             |                   | Total         |
|----------------------------------------------------------------------|------------------------------------------------------------|--------------------|-------------------|-------------|-------------|-------------------|---------------|
|                                                                      | Not due                                                    | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years |               |
| Undisputed trade receivables - considered good                       | 9,790                                                      | 5,161              | 155               | 56          | 2           | 12                | 15,176        |
| Undisputed trade receivables - significant increase in credit risk   | -                                                          | -                  | -                 | -           | -           | -                 | -             |
| Undisputed trade receivables - credit impaired                       | 60                                                         | -                  | -                 | 232         | 167         | 195               | 654           |
| Less: Allowance for expected credit loss (including credit impaired) |                                                            |                    |                   |             |             |                   | (654)         |
| <b>Trade receivables (net)</b>                                       |                                                            |                    |                   |             |             |                   | <b>15,176</b> |

## Trade receivables ageing schedule - as at 31 March 2024

(₹ in lakhs)

|                                                                      | Outstanding for following periods from due date of invoice |                    |                   |             |             |                   | Total         |
|----------------------------------------------------------------------|------------------------------------------------------------|--------------------|-------------------|-------------|-------------|-------------------|---------------|
|                                                                      | Not due                                                    | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years |               |
| Undisputed trade receivables - considered good                       | 6,683                                                      | 4,749              | 158               | 56          | 16          | -                 | 11,662        |
| Undisputed trade receivables - significant increase in credit risk   | -                                                          | -                  | -                 | -           | -           | -                 | -             |
| Undisputed trade receivables - credit impaired                       | 44                                                         | -                  | -                 | 187         | 164         | 43                | 438           |
| Less: Allowance for expected credit loss (including credit impaired) |                                                            |                    |                   |             |             |                   | (438)         |
| <b>Trade receivables (net)</b>                                       |                                                            |                    |                   |             |             |                   | <b>11,662</b> |

## Notes:

- (i) There are no disputed trade receivables as at 31 March 2025 and 31 March 2024.  
(ii) The above ageing disclosure includes non-current trade receivables.

|                                                                                                             | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|-------------------------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>15 Cash and cash equivalents</b>                                                                         |                                        |                                        |
| Cash on hand                                                                                                | 29                                     | 27                                     |
| Balances with banks                                                                                         |                                        |                                        |
| - In current accounts                                                                                       | 91                                     | 301                                    |
| Deposits with maturity of less than three months                                                            | 300                                    | -                                      |
| <b>Total</b>                                                                                                | <b>420</b>                             | <b>328</b>                             |
| There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the year. |                                        |                                        |
| <b>16 Bank balances other than cash and cash equivalents</b>                                                |                                        |                                        |
| Margin money against guarantees and working capital facilities [Refer note (i) below]                       | 1,544                                  | 1,834                                  |
| Margin money against letters of credit [Refer note (ii) below]                                              | -                                      | 525                                    |
| Earmarked balances - unpaid dividend accounts                                                               | 6                                      | 4                                      |
| <b>Total</b>                                                                                                | <b>1,550</b>                           | <b>2,363</b>                           |

## Notes:

- (i) Held as lien by bank against bank guarantees amounting to ₹ 3,145 lakhs (₹ 4,078 lakhs as at 31 March 2024).  
(ii) Held as lien by bank against letters of credit amounting to ₹ 277 lakhs (₹ 1,681 lakhs as at 31 March 2024)

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

|                                                                                                                                                                                                                                                                                         | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>17 Current loans</b>                                                                                                                                                                                                                                                                 |                                        |                                        |
| <b>Unsecured, considered good, unless otherwise stated</b>                                                                                                                                                                                                                              |                                        |                                        |
| Inter-corporate deposit                                                                                                                                                                                                                                                                 | 74                                     | 68                                     |
| Loans to related parties                                                                                                                                                                                                                                                                |                                        |                                        |
| - Credit impaired [Refer note below]                                                                                                                                                                                                                                                    | 583                                    | 583                                    |
| Less : Impairment allowance                                                                                                                                                                                                                                                             |                                        |                                        |
| - Credit impaired                                                                                                                                                                                                                                                                       | (583)                                  | (583)                                  |
| Others                                                                                                                                                                                                                                                                                  | 13                                     | 19                                     |
| <b>Total</b>                                                                                                                                                                                                                                                                            | <b>87</b>                              | <b>87</b>                              |
| <b>Notes:</b>                                                                                                                                                                                                                                                                           |                                        |                                        |
| (i) The Company had granted loan aggregating to ₹ 583 lakhs to CC&LE a subsidiary of the Company. The net worth of CC&LE is fully eroded and accordingly, the loan had been fully provided for based on management's assessment of the recoverable value of the aforementioned amounts. |                                        |                                        |
| (ii) Refer note 45 for information about credit risk and market risk for loans                                                                                                                                                                                                          |                                        |                                        |
| <b>(iii) Disclosure as per Section 186 of the Companies Act, 2013</b>                                                                                                                                                                                                                   |                                        |                                        |
| <b>a) Hubtown Limited</b>                                                                                                                                                                                                                                                               |                                        |                                        |
| Balance as at the year end                                                                                                                                                                                                                                                              | 74                                     | 68                                     |
| Maximum amount outstanding at any time during the year                                                                                                                                                                                                                                  | 74                                     | 68                                     |
| [The loan has been provided for working capital requirements and business purposes (rate of interest - 15% p.a.)]                                                                                                                                                                       |                                        |                                        |
| <b>b) Calcutta Compressions and Liquefaction Engineering Limited</b>                                                                                                                                                                                                                    |                                        |                                        |
| Balance as at the year end                                                                                                                                                                                                                                                              | 583                                    | 583                                    |
| Maximum amount outstanding at any time during the year                                                                                                                                                                                                                                  | 583                                    | 583                                    |
| [The loan has been provided for working capital requirements (rate of interest - 12% p.a.)]                                                                                                                                                                                             |                                        |                                        |
| <b>18 Other current financial assets</b>                                                                                                                                                                                                                                                |                                        |                                        |
| <b>Unsecured, considered good</b>                                                                                                                                                                                                                                                       |                                        |                                        |
| Advances and deposits recoverable [Refer note (i) below]                                                                                                                                                                                                                                | 25                                     | 248                                    |
| Interest receivable:                                                                                                                                                                                                                                                                    |                                        |                                        |
| - Banks                                                                                                                                                                                                                                                                                 | 103                                    | 80                                     |
| Security deposits                                                                                                                                                                                                                                                                       | 4                                      | 5                                      |
| <b>Total</b>                                                                                                                                                                                                                                                                            | <b>132</b>                             | <b>333</b>                             |
| <b>Note:</b>                                                                                                                                                                                                                                                                            |                                        |                                        |
| (i) Includes ₹ 10 lakhs (31 March 2024: ₹ 10 lakhs), a security deposit to a private company in which directors are directors / members [Refer Note 47].                                                                                                                                |                                        |                                        |
| <b>19 Other current assets</b>                                                                                                                                                                                                                                                          |                                        |                                        |
| Advances other than capital advances                                                                                                                                                                                                                                                    |                                        |                                        |
| - Advances paid to suppliers                                                                                                                                                                                                                                                            | 4,166                                  | 4,185                                  |
| - Prepaid expenses                                                                                                                                                                                                                                                                      | 69                                     | 126                                    |
| Balance with statutory authorities                                                                                                                                                                                                                                                      | 1,303                                  | 89                                     |
| Right to receive inventory                                                                                                                                                                                                                                                              | 121                                    | 83                                     |
| <b>Total</b>                                                                                                                                                                                                                                                                            | <b>5,659</b>                           | <b>4,483</b>                           |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

|                                                                                                                                                                                                                                                                           | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>20 Assets classified as held for sale</b>                                                                                                                                                                                                                              |                                        |                                        |
| Freehold land [Refer note 5 (i)]                                                                                                                                                                                                                                          | —                                      | 274                                    |
| Buildings [Refer note (i) below]                                                                                                                                                                                                                                          | 768                                    | 768                                    |
| Plant & Machinery (including CNG Cascades) [Refer note (ii) below & 3(iv)]                                                                                                                                                                                                | 126                                    | 82                                     |
| <b>Total</b>                                                                                                                                                                                                                                                              | <b>894</b>                             | <b>1,124</b>                           |
| <b>Notes:</b>                                                                                                                                                                                                                                                             |                                        |                                        |
| (i) As at 31st March 2025, building at Aurangabad, having book value ₹ 768 lakhs (31 March 2024 : ₹ 768 lakhs) has been classified as 'Assets classified as held for sale', pursuant to the decision of the Company to dispose off the same.                              |                                        |                                        |
| (ii) As at 31 March 2025, certain plant & machineries having carrying value of ₹ 126 lakhs (31 March 2024 : ₹ 82 lakhs) has been classified as 'Assets classified as held for sale', pursuant to the decision of the Company to dispose off the same. [Refer note 3(iv)]. |                                        |                                        |
| (iii) Assets classified as held for sale during the year was measured at the lower of its carrying amount and fair value less costs to sell at the time of the reclassification.                                                                                          |                                        |                                        |
| The fair value of the land has been determined based on contractual rate agreed with the buyer. The fair valuation has been categorised under Level 3 of the fair value hierarchy.                                                                                        |                                        |                                        |
| <b>21 Equity share capital</b>                                                                                                                                                                                                                                            |                                        |                                        |
| <b>Authorised:</b>                                                                                                                                                                                                                                                        |                                        |                                        |
| 125,000,000 equity shares (31 March 2024 : 125,000,000) of ₹ 2 each                                                                                                                                                                                                       | 2,500                                  | 2,500                                  |
| <b>Total</b>                                                                                                                                                                                                                                                              | <b>2,500</b>                           | <b>2,500</b>                           |
| <b>Issued, subscribed and paid-up:</b>                                                                                                                                                                                                                                    |                                        |                                        |
| 112,207,682 equity shares (31 March 2024 : 112,207,682) of ₹ 2 each fully paid up                                                                                                                                                                                         | 2,244                                  | 2,244                                  |
| <b>Total</b>                                                                                                                                                                                                                                                              | <b>2,244</b>                           | <b>2,244</b>                           |

## (i) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:

|                                                 | 2024-25      |            | 2023-24      |            |
|-------------------------------------------------|--------------|------------|--------------|------------|
|                                                 | Number       | ₹ in lakhs | Number       | ₹ in lakhs |
| Shares outstanding at the beginning of the year | 11,22,07,682 | 2,244      | 11,22,07,682 | 2,244      |
| Shares issued during the year                   | —            | —          | —            | —          |
| Shares outstanding at the end of the year       | 11,22,07,682 | 2,244      | 11,22,07,682 | 2,244      |

## (ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the shareholding. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. [Refer note 46(iii)]

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(iii) Details of shareholders holding more than 5% shares in the Company (Also includes details of shareholding of promoter and promoter's group):

| Name of Shareholder           | As at 31 March 2025   |              | As at 31 March 2024   |              |
|-------------------------------|-----------------------|--------------|-----------------------|--------------|
|                               | Number of shares held | % of Holding | Number of shares held | % of Holding |
| Khurana Gases Private Limited | 1,78,18,629           | 15.88        | 1,78,18,629           | 15.88        |
| Ms. Suman Khurana             | 2,73,84,005           | 24.40        | 2,78,03,749           | 24.78        |
| Mr. Pushkar Khurana           | 1,02,39,973           | 9.13         | 1,02,39,973           | 9.13         |
| Mr. Puneet Khurana            | 1,04,69,088           | 9.33         | 1,02,69,459           | 9.15         |

(iv) Details of shareholding by Promoters in the Company:

Shares held by promoters at the end of the year 31 March 2025

| Sr. No. | Promoter Name                   | Number of shares at beginning of the year | Change during the year | Number of Shares at year end | % of total shares | % change during the year |
|---------|---------------------------------|-------------------------------------------|------------------------|------------------------------|-------------------|--------------------------|
| 1       | Suman Premkumar Khurana         | 2,78,03,749                               | (4,19,744)             | 2,73,84,005                  | 24.40             | (1.51)                   |
| 2       | Puneet Premkumar Khurana        | 1,02,69,459                               | 1,99,629               | 1,04,69,088                  | 9.33              | 1.94                     |
| 3       | Pushkar Premkumar Khurana       | 1,02,39,973                               | -                      | 1,02,39,973                  | 9.13              | -                        |
| 4       | Pushkar Family Trust            | -                                         | 2,20,115               | 2,20,115                     | 0.20              | 100.00                   |
| 5       | Varun Khurana                   | 43,22,000                                 | -                      | 43,22,000                    | 3.85              | -                        |
| 6       | Sonia Khurana                   | 3,48,333                                  | -                      | 3,48,333                     | 0.31              | -                        |
| 7       | Nishita Khurana                 | 10,000                                    | -                      | 10,000                       | 0.01              | -                        |
| 8       | Pooja Khurana                   | 1,000                                     | -                      | 1,000                        | 0.00              | -                        |
| 9       | Khurana Gases Private Limited   | 1,78,18,629                               | -                      | 1,78,18,629                  | 15.88             | -                        |
| 10      | Medical Engineers India Limited | 48,00,000                                 | -                      | 48,00,000                    | 4.28              | -                        |

Shares held by promoters at the end of the year 31 March 2024

| Sr. No. | Promoter Name                     | Number of shares at beginning of the year | Change during the year | Number of Shares at year end | % of total shares | % change during the year |
|---------|-----------------------------------|-------------------------------------------|------------------------|------------------------------|-------------------|--------------------------|
| 1       | Suman Premkumar Khurana           | 2,78,03,749                               | -                      | 2,78,03,749                  | 24.78             | -                        |
| 2       | Puneet Premkumar Khurana          | 82,05,459                                 | 20,64,000              | 1,02,69,459                  | 9.15              | 25.15                    |
| 3       | Pushkar Premkumar Khurana         | 75,03,973                                 | 27,36,000              | 1,02,39,973                  | 9.13              | 36.46                    |
| 4       | Premkumar Dharampal Khurana (HUF) | 48,00,000                                 | (48,00,000)            | -                            | -                 | (100.00)                 |
| 5       | Varun Khurana                     | 43,22,000                                 | -                      | 43,22,000                    | 3.85              | -                        |
| 6       | Sonia Khurana                     | 3,48,333                                  | -                      | 3,48,333                     | 0.31              | -                        |
| 7       | Nishita Khurana                   | 10,000                                    | -                      | 10,000                       | 0.01              | -                        |
| 8       | Pooja Khurana                     | 1,000                                     | -                      | 1,000                        | 0.00              | -                        |
| 9       | Khurana Gases Private Limited     | 1,78,18,629                               | -                      | 1,78,18,629                  | 15.88             | -                        |
| 10      | Medical Engineers India Limited   | 48,00,000                                 | -                      | 48,00,000                    | 4.28              | -                        |

(v) The Company has not issued any bonus shares or shares for consideration other than cash nor has there been any buyback of shares during five years immediately preceding 31 March 2025 and 31 March 2024.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

## 22 Other equity

(₹ in lakhs)

|                                                               | Reserves and surplus |                 |                   |                                                                     | Total  |
|---------------------------------------------------------------|----------------------|-----------------|-------------------|---------------------------------------------------------------------|--------|
|                                                               | Securities premium   | General reserve | Retained earnings | Equity instruments at fair value through other comprehensive income |        |
| Opening balance as at 1 April 2023                            | 24,789               | 7,491           | 31,065            | 290                                                                 | 63,635 |
| Transactions during the year                                  |                      |                 |                   |                                                                     |        |
| Net profit for the year                                       | -                    | -               | 5,386             | -                                                                   | 5,386  |
| Dividend for the Year 2022-23                                 |                      |                 | (785)             |                                                                     | (785)  |
| Other comprehensive income / (loss) for the year (net of tax) | -                    | -               | 5                 | (7)                                                                 | (2)    |
| Closing balance as at 31 March 2024                           | 24,789               | 7,491           | 35,671            | 283                                                                 | 68,234 |
| Transactions during the year                                  |                      |                 |                   |                                                                     |        |
| Net profit for the year                                       | -                    | -               | 5,330             | -                                                                   | 5,330  |
| Dividend for the Year 2023-24                                 |                      |                 | (785)             |                                                                     | (785)  |
| Other comprehensive income / (loss) for the year (net of tax) | -                    | -               | (56)              | 25                                                                  | (31)   |
| Closing balance as at 31 March 2025                           | 24,789               | 7,491           | 40,160            | 308                                                                 | 72,748 |

## Nature and purpose of reserves

## (i) Securities premium

Securities premium is created due to premium on issue of shares. This reserve is utilised in accordance with the provisions of the Act.

## (ii) General reserve

The general reserve represents amounts appropriated out of retained earnings based on the provisions of the Act.

## (iii) Retained earnings

Retained earnings pertain to the accumulated earnings / losses by the Company over the years.

## (iv) Equity instruments at fair value through other comprehensive income

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated under this head. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

## 23 Non-current borrowings

|                                                              | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|--------------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>Secured</b>                                               |                                        |                                        |
| <b>Term loans</b>                                            |                                        |                                        |
| Indian rupee loan from banks [Refer note 28(i)]              | 1,727                                  | —                                      |
| Vehicle loans from financial institution [Refer note 28(ii)] | 155                                    | 107                                    |
| <b>Total</b>                                                 | <b>1,882</b>                           | <b>107</b>                             |

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**
**Notes:**
**Indian rupee loan from bank**
**(i) Maturity profile**

|                   | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|-------------------|----------------------------------------|----------------------------------------|
| Less than 1 year  | 273                                    | -                                      |
| 1-5 years         | 1,454                                  | -                                      |
| More than 5 years | 273                                    | -                                      |

This loan is secured by hypothecation of underlying plant and machinery and is at fixed rate of interest of 9.25% per annum.

**Vehicle loans from financial institution**
**(ii) Maturity profile**

|                   | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|-------------------|----------------------------------------|----------------------------------------|
| Less than 1 year  | 26                                     | 50                                     |
| 1-5 years         | 155                                    | 107                                    |
| More than 5 years | -                                      | -                                      |

These loans are secured by hypothecation of underlying vehicles and are at fixed rate of interest of 8.85% and 9.54% per annum.

(iii) Refer note 45 for liquidity risk and note 53 for carrying amount of financial assets and non-financial assets pledged as security for secured borrowings.

(iv) There is no default in repayment of principal and payment of interest on the above mentioned loans.

**24 Non-current lease liabilities**

|                                   | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|-----------------------------------|----------------------------------------|----------------------------------------|
| Lease liabilities [Refer note 54] | 1,932                                  | 1,336                                  |
| <b>Total</b>                      | <b>1,932</b>                           | <b>1,336</b>                           |

Refer note 45 for liquidity risk.

**25 Other non-current financial liabilities**

|                   | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|-------------------|----------------------------------------|----------------------------------------|
| Security deposits | 35                                     | 35                                     |
| <b>Total</b>      | <b>35</b>                              | <b>35</b>                              |

**26 Deferred tax liabilities (net)**

|                                                                             | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|-----------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>Deferred tax liability on account of:</b>                                |                                        |                                        |
| Depreciation and amortisation                                               | 1,939                                  | 1,864                                  |
| Lease liability (net of right-of-use assets) [Refer note 54]                | 7                                      | -                                      |
| Equity instruments at fair value through other comprehensive income (FVOCI) | 23                                     | 14                                     |
|                                                                             | <b>1,969</b>                           | <b>1,878</b>                           |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

## 26 Deferred tax liabilities (net) (contd)

|                                                                   | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|-------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>Deferred tax assets on account of:</b>                         |                                        |                                        |
| Provision for doubtful debts / advances / other receivables, etc. | 1,105                                  | 863                                    |
| Provision for employee benefits                                   | 154                                    | 113                                    |
| Provision for sales returns                                       | 19                                     | 13                                     |
| Lease liability (net of right-of-use assets) [Refer note 54]      | -                                      | 23                                     |
|                                                                   | <b>1,278</b>                           | <b>1,012</b>                           |
| <b>Deferred tax liabilities (net)</b>                             | <b>691</b>                             | <b>866</b>                             |

Refer note 43(B) for movement in deferred tax balance.

## 27 Non-current provisions

|                                                    | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|----------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>Provision for employee benefits</b>             |                                        |                                        |
| - Compensated absences [Refer note 49(C)]          | 158                                    | 136                                    |
| - Gratuity (net of plan assets) [Refer note 49(B)] | 218                                    | 133                                    |
| <b>Total</b>                                       | <b>376</b>                             | <b>269</b>                             |

## 28 Current borrowings

|                                                                       | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|-----------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>Secured</b>                                                        |                                        |                                        |
| Working capital facilities from banks [Refer note (i) and (ii) below] | 8,469                                  | -                                      |
| Current maturities of non-current borrowings                          |                                        |                                        |
| <b>Term loan</b>                                                      |                                        |                                        |
| Indian rupee loan from bank [Refer note 23 (i)]                       | 273                                    | -                                      |
| Vehicle loan from financial institution [Refer note 23 (ii)]          | 26                                     | 50                                     |
| <b>Total</b>                                                          | <b>8,768</b>                           | <b>50</b>                              |

## Notes :

**Working capital loans from bank**

- (i) Working capital facilities from various banks having an outstanding balance of ₹ 8,469 lakhs as at 31 March 2025 (31 March 2024: ₹ Nil) are secured by way of (i) first pari passu charge in the form of hypothecation of stocks, book debts and all other current assets of the Company and (ii) second pari passu charge on certain land and buildings and moveable fixed assets of the Company. (iii) secured by personal guarantees from two promoter directors. Working capital facility is also secured by exclusive mortgage charge on specific property to each lender bank. Working capital facilities from a bank has been secured by fixed deposits aggregating ₹ 500 lakhs of the Company, which have been held as lien against this facility. The interest rate of the working capital facilities ranges from 9.35% per annum to 10.80% per annum (31 March 2024 : 9.35% per annum to 10.80% per annum)).
- (ii) For the year ended 31 March 2025 and 31 March 2024, the quarterly returns / statements filed by the Company with working capital lending banks are in agreement with the books of account of the Company.
- (iii) Refer note 53 for carrying amount of financial assets and non-financial assets pledged as security for secured borrowings.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### 29 Current lease liabilities

|                                   | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|-----------------------------------|----------------------------------------|----------------------------------------|
| Lease liabilities [Refer note 54] | 41                                     | 130                                    |
| <b>Total</b>                      | <b>41</b>                              | <b>130</b>                             |

Refer note 45 for liquidity risk.

### 30 Trade payables

|                                                                                           | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|-------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| Total outstanding dues of micro enterprises and small enterprises [Refer note (ii) below] | 641                                    | 412                                    |
| Total outstanding dues of creditors other than micro enterprises and small enterprises    |                                        |                                        |
| - related parties [Refer note 47]                                                         | -                                      | -                                      |
| Total outstanding dues of creditors other than micro enterprises and small enterprises    | 3,657                                  | 3,833                                  |
| <b>Total</b>                                                                              | <b>4,298</b>                           | <b>4,245</b>                           |

#### Notes:

(i) Refer note 45 for information about liquidity risk and market risk of trade payables.

(ii) The disclosure pursuant to Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are as follows:

|                                                                                                                                                                                                                                                                           | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year                                                                                                                                                  |                                        |                                        |
| - Principal amount                                                                                                                                                                                                                                                        | 641                                    | 412                                    |
| - interest thereon, included in finance cost                                                                                                                                                                                                                              |                                        |                                        |
| The amount of interest paid by the buyer under MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year                                                                                                  | -                                      | -                                      |
| The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.                                                            | -                                      | -                                      |
| The amount of interest accrued and remaining unpaid at the end of each accounting year; and                                                                                                                                                                               | -                                      | -                                      |
| The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act | -                                      | -                                      |

Disclosure of payable to vendors as defined under the MSMED Act is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company.

#### Trade payables ageing schedule -

As at 31 March 2025

(₹ in lakhs)

|                        | Outstanding for following periods from due date of payment |                  |           |           |                   |       |
|------------------------|------------------------------------------------------------|------------------|-----------|-----------|-------------------|-------|
|                        | Not due*                                                   | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| MSME                   | -                                                          | 641              | -         | -         | -                 | 641   |
| Others                 | 413                                                        | 3,016            | 33        | 16        | 179               | 3,657 |
| Disputed dues - MSME   | -                                                          | -                | -         | -         | -                 | -     |
| Disputed dues - Others | -                                                          | -                | -         | -         | -                 | -     |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

## Trade payables ageing schedule -

As at 31 March 2024

(₹ in lakhs)

|                        | Outstanding for following periods from due date of payment |                  |           |           |                   |       |
|------------------------|------------------------------------------------------------|------------------|-----------|-----------|-------------------|-------|
|                        | Not due*                                                   | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| MSME                   | -                                                          | 412              | -         | -         | -                 | 412   |
| Others                 | 701                                                        | 2,846            | 10        | 6         | 270               | 3,833 |
| Disputed dues - MSME   | -                                                          | -                | -         | -         | -                 | -     |
| Disputed dues - Others | -                                                          | -                | -         | -         | -                 | -     |

\* includes accrued and unbilled. Previous year balance has been regrouped from other financial liabilities.

## 31 Other financial liabilities

|                                     | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|-------------------------------------|----------------------------------------|----------------------------------------|
| Unpaid dividends [Refer note below] | 6                                      | 4                                      |
| Payable for capital expenditure     | 401                                    | 3                                      |
| Deposits                            | 18                                     | 18                                     |
| Employee benefits payable           | 495                                    | 294                                    |
| Directors' commission payable       | 120                                    | 128                                    |
| <b>Total</b>                        | <b>1,040</b>                           | <b>447</b>                             |

**Note:**

There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at 31 March 2025 and 31 March 2024.

## 32 Other current liabilities

|                                                                                                                               | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|-------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| Revenue received in advance [Includes advances from related parties ₹ 92 lakhs (31 March 2024 : ₹ 112 lakhs)] [Refer note 47] | 1,499                                  | 1,968                                  |
| Statutory dues                                                                                                                | 81                                     | 75                                     |
| Advance received against sale of land [Refer note 20(i)]                                                                      | 1,320                                  | 1,320                                  |
| <b>Total</b>                                                                                                                  | <b>2,900</b>                           | <b>3,363</b>                           |

## 33 Current provisions

|                                                | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|------------------------------------------------|----------------------------------------|----------------------------------------|
| Provision for employee benefits                |                                        |                                        |
| - Compensated absences                         | 32                                     | 27                                     |
| Provision for sales returns [Refer note below] | 192                                    | 132                                    |
| <b>Total</b>                                   | <b>224</b>                             | <b>159</b>                             |

**Note :**

A provision is recognized for sales returns on products sold during the last six months, based on past experience of the level of returns. Assumptions used to calculate the provision for sales return were based on current sales levels and current information available about returns for all products sold. The table below gives information about movement in provision for sales returns.

|                                     | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|-------------------------------------|----------------------------------------|----------------------------------------|
| Opening provision for sales returns | 132                                    | 60                                     |
| Provision made during the year      | 63                                     | 73                                     |
| Provision reversed during the year  | 3                                      | 1                                      |
| Closing provision for sales returns | 192                                    | 132                                    |

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

|                                                                                         | Year Ended<br>31 March 2025<br>(₹ in lakhs) | Year Ended<br>31 March 2024<br>(₹ in lakhs) |
|-----------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| <b>34 Revenue from operations</b>                                                       |                                             |                                             |
| <b>Sale of products</b>                                                                 |                                             |                                             |
| Manufactured goods                                                                      | 91,528                                      | 74,417                                      |
| Stock-in-trade                                                                          | 206                                         | 701                                         |
| <b>Other operating revenues</b>                                                         |                                             |                                             |
| Scrap sales                                                                             | 870                                         | 807                                         |
| Testing, inspection and installation fees                                               | 2,018                                       | 1,227                                       |
| <b>Total</b>                                                                            | <b>94,622</b>                               | <b>77,152</b>                               |
| Refer note 51 for details of revenue from contracts with customers.                     |                                             |                                             |
| <b>35 Other income</b>                                                                  |                                             |                                             |
| <b>Interest on financial assets measured at amortised cost</b>                          |                                             |                                             |
| - Inter-corporate deposit                                                               | 6                                           | 6                                           |
| - Fixed deposits                                                                        | 154                                         | 101                                         |
| - Others                                                                                | -                                           | 2                                           |
| <b>Other non-operating income (net)</b>                                                 |                                             |                                             |
| - Gain on fair valuation of current investment                                          | 428                                         | 58                                          |
| - Realised gain on redemption of current investment                                     | 13                                          | 5                                           |
| - Excess provision written back [Refer note 45]                                         | -                                           | 172                                         |
| - Recovery of bad debts of earlier years                                                | 5                                           | 9                                           |
| - Liabilities no longer required written back [Refer note 47]                           | 1                                           | 100                                         |
| - Lease rent income                                                                     | 163                                         | 133                                         |
| - Profit on sale of property, plant and equipment (net)                                 | -                                           | 8                                           |
| - Miscellaneous income                                                                  | 621                                         | 468                                         |
| <b>Total</b>                                                                            | <b>1,391</b>                                | <b>1,062</b>                                |
| <b>36 Cost of materials consumed</b>                                                    |                                             |                                             |
| <b>Raw material and components consumed</b>                                             |                                             |                                             |
| Opening stock                                                                           | 11,091                                      | 17,631                                      |
| Add: Purchases                                                                          | 63,266                                      | 38,232                                      |
| Less: Reversal of provision towards writedown in value of slow and non moving inventory | 34                                          | 61                                          |
| Less: Closing stock (including in transit)                                              | 14,358                                      | 11,091                                      |
| <b>Total</b>                                                                            | <b>59,965</b>                               | <b>44,711</b>                               |
| <b>37 Purchases of stock-in-trade</b>                                                   |                                             |                                             |
| Fire fighting equipment                                                                 | 155                                         | 304                                         |
| Spares and others                                                                       | -                                           | 11                                          |
| <b>Total</b>                                                                            | <b>155</b>                                  | <b>315</b>                                  |
| <b>38 Changes in inventories of finished goods, work-in-progress and stock-in-trade</b> |                                             |                                             |
| <b>At the beginning of the year</b>                                                     |                                             |                                             |
| Work-in-progress                                                                        | 6,402                                       | 7,023                                       |
| Finished goods                                                                          | 2,777                                       | 3,850                                       |
| Stock-in-trade                                                                          | 18                                          | 38                                          |
|                                                                                         | 9,197                                       | 10,911                                      |
| Assets held for sale converted into inventory                                           | -                                           | 88                                          |
|                                                                                         | 9,197                                       | 10,999                                      |
| <b>At the end of the year</b>                                                           |                                             |                                             |
| Work-in-progress                                                                        | 8,151                                       | 6,402                                       |
| Finished goods (including in transit)                                                   | 3,420                                       | 2,777                                       |
| Stock-in-trade                                                                          | 14                                          | 18                                          |
|                                                                                         | 11,585                                      | 9,197                                       |
| <b>Total</b>                                                                            | <b>(2,388)</b>                              | <b>1,802</b>                                |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

|                                                                                                                                              | Year Ended<br>31 March 2025<br>(₹ in lakhs) | Year Ended<br>31 March 2024<br>(₹ in lakhs) |
|----------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| <b>39 Employee benefits expense</b>                                                                                                          |                                             |                                             |
| Salaries and wages*                                                                                                                          | 3,628                                       | 3,113                                       |
| Gratuity and compensated absences [Refer note 49(B) and (C)]                                                                                 | 113                                         | 82                                          |
| Contribution to provident and other funds [Refer note 49(A)]                                                                                 | 211                                         | 180                                         |
| Staff welfare expenses                                                                                                                       | 115                                         | 71                                          |
| <b>Total</b>                                                                                                                                 | <b>4,067</b>                                | <b>3,446</b>                                |
| *Include salaries to key managerial personnel (KMP) and their relatives amounting to ₹ 405 lakhs (31 March 2024: 367 lakhs) [Refer note 47]. |                                             |                                             |
| <b>40 Finance costs</b>                                                                                                                      |                                             |                                             |
| Interest expenses on financial liabilities measured at amortised cost                                                                        |                                             |                                             |
| - Borrowings                                                                                                                                 | 676                                         | 133                                         |
| - Lease liabilities [Refer note 54]                                                                                                          | 184                                         | 140                                         |
| Bank processing fees and other borrowing cost                                                                                                | 60                                          | 70                                          |
| <b>Total</b>                                                                                                                                 | <b>920</b>                                  | <b>343</b>                                  |
| <b>41 Other expenses</b>                                                                                                                     |                                             |                                             |
| Consumption of stores and spares                                                                                                             | 2,463                                       | 2,215                                       |
| Power and fuel                                                                                                                               | 6,159                                       | 5,164                                       |
| Water charges                                                                                                                                | 65                                          | 56                                          |
| Repairs and maintenance                                                                                                                      |                                             |                                             |
| - Building                                                                                                                                   | 194                                         | 143                                         |
| - Plant and equipment                                                                                                                        | 256                                         | 213                                         |
| - Others                                                                                                                                     | 184                                         | 55                                          |
| Labour charges                                                                                                                               | 1,585                                       | 1,118                                       |
| Lease rent [Refer note 54]                                                                                                                   | 109                                         | 67                                          |
| Insurance                                                                                                                                    | 103                                         | 126                                         |
| Rates and taxes                                                                                                                              | 5,833                                       | 3,948                                       |
| Payment to auditors [Refer note (i) below]                                                                                                   | 38                                          | 44                                          |
| Director sitting fees [Refer note 47]                                                                                                        | 29                                          | 28                                          |
| Commission to directors [Refer note 47]                                                                                                      | 120                                         | 128                                         |
| Expenditure towards corporate social responsibility [Refer notes 57]                                                                         | 340                                         | 392                                         |
| Legal and professional fees                                                                                                                  | 527                                         | 463                                         |
| Net loss on property, plant and equipment sold/discarded                                                                                     | 1                                           | -                                           |
| Travelling and conveyance                                                                                                                    | 399                                         | 347                                         |
| Security expenses                                                                                                                            | 100                                         | 91                                          |
| Bad debts / advances / sundry balance written off [Refer note 47]                                                                            | 157                                         | 492                                         |
| Provision for doubtful debts [Refer note 45(A)]                                                                                              | 216                                         | -                                           |
| Bank charges and commission                                                                                                                  | 84                                          | 123                                         |
| Packing and forwarding                                                                                                                       | 514                                         | 249                                         |
| Carriage and freight                                                                                                                         | 2,158                                       | 1,233                                       |
| Advertisement and sales promotion                                                                                                            | 302                                         | 321                                         |
| Commission on sales                                                                                                                          | 9                                           | 2                                           |
| Miscellaneous expenses                                                                                                                       | 815                                         | 777                                         |
| <b>Total</b>                                                                                                                                 | <b>22,760</b>                               | <b>17,795</b>                               |

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

|                                                                                                               | Year Ended<br>31 March 2025<br>(₹ in lakhs) | Year Ended<br>31 March 2024<br>(₹ in lakhs) |
|---------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| <b>Note:</b>                                                                                                  |                                             |                                             |
| <b>(i) Payment to auditors (excluding taxes)</b>                                                              |                                             |                                             |
| As Auditors (including limited review)                                                                        | 35                                          | 39                                          |
| Certification fees                                                                                            | 1                                           | 1                                           |
| Out of pocket expenses                                                                                        | 2                                           | 4                                           |
| <b>Total</b>                                                                                                  | <b>38</b>                                   | <b>44</b>                                   |
| <b>42 Exceptional items gain / (loss) (net)</b>                                                               |                                             |                                             |
| Provision for impairment of property, plant and equipment and capital work-in-progress<br>[Refer note 3(iii)] | (648)                                       | (217)                                       |
| <b>Total</b>                                                                                                  | <b>(648)</b>                                | <b>(217)</b>                                |
| <b>43 Tax expense / (credit)</b>                                                                              |                                             |                                             |
| Current tax on profits for the year                                                                           | 2,258                                       | 1,697                                       |
| Deferred tax                                                                                                  | (165)                                       | 146                                         |
| <b>Total</b>                                                                                                  | <b>2,093</b>                                | <b>1,843</b>                                |

**(A) Reconciliation of tax expense and accounting profit multiplied by India's tax rate:**

(₹ in lakhs)

|                                                                                                 | Year Ended<br>31 March 2025 | Year Ended<br>31 March 2024 |
|-------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Profit before tax</b>                                                                        | <b>7,423</b>                | <b>7,229</b>                |
| Expected income tax at the enacted rate of 25.168% (31 March 2024: 25.168%)                     | 1,868                       | 1,819                       |
| <b>Tax effect of the amounts which are not deductible/taxable in calculating taxable income</b> |                             |                             |
| Expenses not allowable for tax purposes                                                         | 23                          | 27                          |
| Expenditure towards corporate social responsibility                                             | 85                          | 99                          |
| Effect of lower tax rate on Capital Gain                                                        | (1)                         | (1)                         |
| Others                                                                                          | 118                         | (101)                       |
| <b>Total</b>                                                                                    | <b>2,093</b>                | <b>1,843</b>                |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

## (B) Deferred tax assets movement (net)

(₹ in lakhs)

|                                                                             | As at<br>31 March<br>2025 | Changes<br>recognised<br>in Standalone<br>Statement of<br>Profit and<br>Loss | Changes<br>recognised<br>in other<br>compre-<br>hensive<br>income | As at<br>31 March<br>2024 | Changes<br>recognised<br>in Standalone<br>Statement of<br>Profit and<br>Loss | Changes<br>recognised<br>in other<br>compre-<br>hensive<br>income | As at<br>01 April<br>2023 |
|-----------------------------------------------------------------------------|---------------------------|------------------------------------------------------------------------------|-------------------------------------------------------------------|---------------------------|------------------------------------------------------------------------------|-------------------------------------------------------------------|---------------------------|
| <b>Deferred tax liability on account of:</b>                                |                           |                                                                              |                                                                   |                           |                                                                              |                                                                   |                           |
| Depreciation and amortisation                                               | 1,939                     | 75                                                                           | -                                                                 | 1,864                     | (4)                                                                          | -                                                                 | 1,868                     |
| Lease liabilities                                                           | 7                         | 30                                                                           | -                                                                 | -                         | -                                                                            | -                                                                 | -                         |
| Equity instruments at fair value through other comprehensive income (FVOCI) | 23                        | -                                                                            | 9                                                                 | 14                        | -                                                                            | (2)                                                               | 16                        |
| <b>Total</b>                                                                | <b>1,969</b>              | <b>105</b>                                                                   | <b>9</b>                                                          | <b>1,878</b>              | <b>(4)</b>                                                                   | <b>(2)</b>                                                        | <b>1,884</b>              |
| <b>Deferred tax assets on account of:</b>                                   |                           |                                                                              |                                                                   |                           |                                                                              |                                                                   |                           |
| Lease liabilities                                                           | -                         | -                                                                            | -                                                                 | 23                        | (14)                                                                         | -                                                                 | 37                        |
| Provision for doubtful debts / deposits / advances / investment             | 1,105                     | 242                                                                          | -                                                                 | 863                       | (143)                                                                        | -                                                                 | 1,006                     |
| Employee benefits                                                           | 154                       | 22                                                                           | 19                                                                | 113                       | -                                                                            | (1)                                                               | 114                       |
| Provision for sales returns                                                 | 19                        | 6                                                                            | -                                                                 | 13                        | 7                                                                            | -                                                                 | 6                         |
| <b>Total</b>                                                                | <b>1,278</b>              | <b>270</b>                                                                   | <b>19</b>                                                         | <b>1,012</b>              | <b>(150)</b>                                                                 | <b>(1)</b>                                                        | <b>1,163</b>              |
| <b>Net movement [provision / (reversal)]</b>                                | <b>691</b>                | <b>(165)</b>                                                                 | <b>(10)</b>                                                       | <b>866</b>                | <b>146</b>                                                                   | <b>(1)</b>                                                        | <b>-</b>                  |

## 44 Fair value measurements

## Financial instruments by category:

(₹ in lakhs)

|                                                    | As at 31 March 2025                                    |                                             |                   | As at 31 March 2024                                    |                                             |                   |
|----------------------------------------------------|--------------------------------------------------------|---------------------------------------------|-------------------|--------------------------------------------------------|---------------------------------------------|-------------------|
|                                                    | Fair value<br>through other<br>comprehensive<br>income | Fair value<br>through<br>profit and<br>loss | Amortised<br>cost | Fair value<br>through other<br>comprehensive<br>income | Fair value<br>through<br>profit and<br>loss | Amortised<br>cost |
| <b>Financial assets</b>                            |                                                        |                                             |                   |                                                        |                                             |                   |
| Investments*                                       | 367                                                    | 6,003                                       | -                 | 333                                                    | 4,063                                       | -                 |
| Trade receivables                                  | -                                                      | -                                           | 15,176            | -                                                      | -                                           | 11,663            |
| Other financial assets                             | -                                                      | -                                           | 1,035             | -                                                      | -                                           | 1,149             |
| Cash and cash equivalents                          | -                                                      | -                                           | 420               | -                                                      | -                                           | 328               |
| Bank balances other than cash and cash equivalents | -                                                      | -                                           | 1,550             | -                                                      | -                                           | 2,363             |
| Loans                                              | -                                                      | -                                           | 87                | -                                                      | -                                           | 87                |
| <b>Financial liabilities</b>                       |                                                        |                                             |                   |                                                        |                                             |                   |
| Borrowings                                         | -                                                      | -                                           | 10,377            | -                                                      | -                                           | 157               |
| Lease liabilities                                  | -                                                      | -                                           | 1,973             | -                                                      | -                                           | 1,466             |
| Other financial liabilities                        | -                                                      | -                                           | 1,075             | -                                                      | -                                           | 482               |
| Trade payables                                     | -                                                      | -                                           | 4,298             | -                                                      | -                                           | 4,245             |

\* Excludes equity investments in subsidiary carried at cost.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### I. Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level as follows :

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

### II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

- (i) The fair values for investment in equity instrument are based on intrinsic value of the investee company.
- (ii) The lease liability is initially measured at amortised cost at the present value of the future lease payments and are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Accordingly, these are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.
- (iii) Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, other current financial assets / liabilities and borrowings approximate their carrying amounts largely due to short term maturities of these instruments. They are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

### III. Financial assets and liabilities measured at fair value - recurring fair value measurement:

(₹ in lakhs)

|                                       | As at 31 March 2025 |         |         | As at 31 March 2024 |         |         |
|---------------------------------------|---------------------|---------|---------|---------------------|---------|---------|
|                                       | Level 1             | Level 2 | Level 3 | Level 1             | Level 2 | Level 3 |
| <b>Financial Assets</b>               |                     |         |         |                     |         |         |
| <b>Financial investments at FVTPL</b> |                     |         |         |                     |         |         |
| Quoted mutual funds investments       | 6,003               | -       | -       | 4,063               | -       | -       |
| <b>Financial investments at FVOCI</b> |                     |         |         |                     |         |         |
| Unquoted equity instruments           | -                   | -       | 367     | -                   | -       | 333     |

### IV. Reconciliation of level 3 fair value measurement:

(₹ in lakhs)

|                                                                 | 2024-25    | 2023-24    |
|-----------------------------------------------------------------|------------|------------|
| <b>At the beginning of the year</b>                             | <b>333</b> | <b>341</b> |
| Acquisitions                                                    | -          | -          |
| Disposals                                                       | -          | -          |
| Fair value change recognised through other comprehensive income | 34         | (9)        |
| <b>At the end of the year</b>                                   | <b>367</b> | <b>333</b> |

#### Notes:

- (i) The above financial assets and liabilities are categorised under level 3 of fair value hierarchy.
- (ii) During the years mentioned above, there have been no transfers amongst the levels of hierarchy.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### 45 Financial risk management

The Company is exposed primarily to fluctuations in foreign currency risk, credit, liquidity and interest rate risk which may adversely impact the fair value of its financial instrument. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

The Company's principal financial liabilities comprises of borrowings, lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, cash and bank balances, bank deposits and investments that derive directly from its operations.

The Company is exposed to foreign currency risk, credit risk, market risk and liquidity risk. The Company's senior management oversees the management of these risks.

#### (A) Credit risk

The Company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its investing activities (deposits with banks and government and other financial instruments). The Company considers factors such as track record, size of institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Bank balances and deposits are held with only high rated banks and security deposits are placed majorly with government agencies. Hence, in these cases, the credit risk is negligible.

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into

account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- (i) Actual or expected significant adverse changes in business,
- (ii) Actual or expected significant changes in the operating results of the counter-party,
- (iii) Financial or economic conditions that are expected to cause a significant change to the counter-party's ability to meet its obligations,
- (iv) Significant increase in credit risk on other financial instruments of the same counter-party,
- (v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the Standalone Statement of Profit and Loss.

#### a) Expected credit loss for trade receivables

As at 31 March 2025

(₹ in lakhs)

|                         | Outstanding for following periods from due date of invoice |                    |                   |             |             |                   |        |
|-------------------------|------------------------------------------------------------|--------------------|-------------------|-------------|-------------|-------------------|--------|
|                         | Not due                                                    | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total  |
| Gross trade receivables | 9,851                                                      | 5,161              | 155               | 288         | 169         | 207               | 15,831 |
| Expected loss rates     | 1%                                                         | -                  | -                 | 81%         | 99%         | 94%               | -      |
| Expected credit loss    | 60                                                         | -                  | -                 | 232         | 167         | 195               | 654    |

As at 31 March 2024

(₹ in lakhs)

|                         | Outstanding for following periods from due date of invoice |                    |                   |             |             |                   |        |
|-------------------------|------------------------------------------------------------|--------------------|-------------------|-------------|-------------|-------------------|--------|
|                         | Not due                                                    | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total  |
| Gross trade receivables | 6,727                                                      | 4,749              | 158               | 243         | 180         | 43                | 12,100 |
| Expected loss rates     | 1%                                                         | -                  | -                 | 77%         | 91%         | 100%              | -      |
| Expected credit loss    | 44                                                         | -                  | -                 | 187         | 164         | 43                | 438    |

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**
**45 Financial risk management (contd.):**
**b) Movement in impairment allowance**

(₹ in lakhs)

|                               | As at 31 March 2025 | As at 31 March 2024 |
|-------------------------------|---------------------|---------------------|
| Opening provision             | 438                 | 1,058               |
| Provision for doubtful debts  | 216                 | 262                 |
| Bad debts written off         | -                   | (535)               |
| Excess provision written back | -                   | (347)               |
| <b>Closing provision</b>      | <b>654</b>          | <b>438</b>          |

**(B) Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – borrowings, lease liabilities, trade payables and other financial liabilities.

**Liquidity risk management**

The Company's corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

**Maturities of non – derivative financial liabilities**
**As at 31 March 2025**

(₹ in lakhs)

|                              | Within 1 year | 1 - 5 years  | Greater than 5 year | Total         |
|------------------------------|---------------|--------------|---------------------|---------------|
| <b>Financial liabilities</b> |               |              |                     |               |
| Borrowings                   | 8,768         | 1,609        | 273                 | 10,650        |
| Lease liabilities            | 41            | 353          | 1,579               | 1,973         |
| Other financial liabilities  | 1,040         | 35           | -                   | 1,075         |
| Trade payables               | 4,298         | -            | -                   | 4,298         |
| <b>Total</b>                 | <b>14,147</b> | <b>1,997</b> | <b>1,852</b>        | <b>17,996</b> |

**As at 31 March 2024**

(₹ in lakhs)

|                              | Within 1 year | 1 - 5 years | Greater than 5 year | Total        |
|------------------------------|---------------|-------------|---------------------|--------------|
| <b>Financial liabilities</b> |               |             |                     |              |
| Borrowings                   | 50            | 107         | -                   | 157          |
| Lease liabilities            | 130           | 410         | 925                 | 1,465        |
| Other financial liabilities  | 447           | -           | 35                  | 482          |
| Trade payables               | 4,245         | -           | -                   | 4,245        |
| <b>Total</b>                 | <b>4,872</b>  | <b>517</b>  | <b>960</b>          | <b>6,349</b> |

**(C) Market risk**
**(i) Foreign currency risk**

The Company is exposed to foreign exchange risk on their receivables and payables which are held in USD and AED.

**Foreign currency risk management**

In respect of the foreign currency transactions, the Company does not hedge the exposures since the management believes that the same will be partly offset by the corresponding receivables and payables which will be in the nature of natural hedge.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

## 45 Financial risk management (contd.)

The Company's exposure to foreign currency risk at the end of reporting period expressed in INR, are as under:

(₹ in lakhs)

|                                                                | As at 31 March 2025 |              | As at 31 March 2024 |              |
|----------------------------------------------------------------|---------------------|--------------|---------------------|--------------|
|                                                                | USD                 | AED          | USD                 | AED          |
| <b>Financial liabilities</b>                                   |                     |              |                     |              |
| Trade payables                                                 | 37                  | 179          | -                   | 269          |
| <b>Financial assets</b>                                        |                     |              |                     |              |
| Trade receivables                                              | 1                   | -            | 69                  | -            |
| Bank balances                                                  | -                   | 17           | -                   | 16           |
| <b>Net exposure to foreign currency assets / (liabilities)</b> | <b>(36)</b>         | <b>(162)</b> | <b>69</b>           | <b>(253)</b> |

**Sensitivity to foreign currency risk**

The following table demonstrates the sensitivity in USD and AED with all other variables held constant. The below impact on the Company's profit before tax and other equity is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date:

(₹ in lakhs)

| Currencies | 31 March 2025  |                | 31 March 2024  |                |
|------------|----------------|----------------|----------------|----------------|
|            | Increase by 5% | Decrease by 5% | Increase by 5% | Decrease by 5% |
| USD        | (2)            | 2              | 3              | (3)            |
| AED        | (8)            | 8              | (13)           | 13             |

## (ii) Interest rate risk

The Company's interest rate risk is mainly due to the borrowing acquired at floating interest rate. The fixed rate borrowing are carried at amortised cost, hence they are not subject to interest rate risk since the carrying amount and future cash flows will not fluctuate because of change in market interest rates.

The Company's borrowing structure at the end of reporting period are as follows:

(₹ in lakhs)

|                          | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--------------------------|------------------------|------------------------|
| Variable rate borrowings | 8,469                  | -                      |
| Fixed rate borrowings    | 2,181                  | 157                    |
| <b>Total</b>             | <b>10,650</b>          | <b>157</b>             |

**Sensitivity analysis**

The table below summarizes the impact of increases/decreases of the interest rates on the Company's equity and other comprehensive income for the period. The analysis is based on the assumption that the interest rate has increased by 70 basic points or decreased by 70 basic points with all other variables held constant.

(₹ in lakhs)

| Interest rate               | Impact on profit before tax and other equity |               |
|-----------------------------|----------------------------------------------|---------------|
|                             | 31 March 2025                                | 31 March 2024 |
| Increase by 70 basis points | (59)                                         | -             |
| Decrease by 70 basis points | 59                                           | -             |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### 45 Financial risk management (contd.)

#### (iii) Price Risk

The Company is exposed to price risk from its investment in mutual funds measured at fair value through profit and loss.

The table below summarizes the impact of increases/decreases of the net asset value of mutual funds on the Company's equity and Gain/(Loss) for the period. The analysis is based on the assumption that the net asset value has increased by 5% or decreased by 5% with all other variables held constant, and that the Company's investments moved in line with the net asset value.

(₹ in lakhs)

| Sensitivity                              | 31 March 2025 | 31 March 2024 |
|------------------------------------------|---------------|---------------|
| Impact of 5% increase in net asset value | 300           | 203           |
| Impact of 5% decrease in net asset value | (300)         | (203)         |

### 46 Capital Management

#### (i) Risk management

The Company's objectives when managing capital are as below -

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Company monitors its capital by using gearing ratio, which is net debt divided by total equity. Net debt includes non-current and current borrowings net of cash and cash equivalents and bank balances other than cash and cash equivalent and total equity comprises of equity share capital and other equity.

The capital composition is as follows:

(₹ in lakhs)

|                                                   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------------------------|------------------------|------------------------|
| Gross debt                                        | 12,350                 | 1,623                  |
| Less: Cash and cash equivalents and bank balances | (2,556)                | (3,406)                |
| <b>Net debt (A)</b>                               | <b>9,794</b>           | <b>(1,783)</b>         |
| Equity (B)                                        | 74,992                 | 70,478                 |
| <b>Gearing ratio (in times) (A / B)</b>           | <b>13.06%</b>          | <b>N.A.</b>            |

#### (ii) Loan covenants

Under the terms of borrowing facilities, the Company is required to comply with the performance covenants. The Company has complied with these covenants through out the reporting period.

#### (iii) Dividend on equity shares

(₹ in lakhs)

|                                                                                                                                                                                                                                                                                             | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| Final dividend paid during the year for FY 2023-24 of ₹ 0.70 per equity share (31 March 2024: For FY 2022-23: ₹ 0.70 per equity share).                                                                                                                                                     | 785                    | 785                    |
| <b>Dividends not recognised at the end of the reporting period</b>                                                                                                                                                                                                                          |                        |                        |
| The Board of Directors have recommended a final dividend of ₹ 0.70 per equity share for the year ended 31 March 2025 (31 March 2024: ₹ 0.70 per equity share), (face value of ₹ 2 each), subject to necessary approval by the members in the ensuing Annual General Meeting of the Company. | 785                    | 785                    |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

**47 Related party disclosures:**

As per Ind AS 24, 'Related Party Disclosures', disclosure of transactions with the related parties are given below:

**(i) Names of related parties and description of relationship with the Company**

|                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Subsidiary companies</b>                                                                                                                                                                      | EKC International FZE<br>Calcutta Compressions & Liquefaction Engineering Limited<br>Next Gen Cylinder Private Limited                                                                                                                                                                                                                                                                                                                                |
| <b>Step down subsidiary companies</b>                                                                                                                                                            | EKC Hungary Kft.<br>EKC Europe GmbH<br>CP Industries Holdings, Inc.<br>EKC Europe Gyártó Zrt<br>EKC for Pressure Vessels Manufacturing (EKC Egypt) "S.A.E."<br>EKC General Trading FZE                                                                                                                                                                                                                                                                |
| <b>Non executive directors and other related parties where promoters, directors and their relatives exercise significant influence (with whom transactions have taken place during the year)</b> | Mr. Ghanshyam Karkera<br>Mr. M N Sudhindra Rao (upto 2 June 2024)<br>Ms. Uma Acharya<br>Dr. Vaijayanti Pandit<br>Mr. Ramakrishnan Ramanathan (w.e.f. 3 June 2024)<br>Everest Kanto Investment and Finance Private Limited<br>Khurana Gases Private Limited<br>Medical Engineers (India) Limited<br>Khurana Fabrication Industries Private Limited<br>Khurana Exports Private Limited<br>Olive Steel Private Limited<br>Royal Mirage Engineers Pvt Ltd |
| <b>Key Management Personnel</b>                                                                                                                                                                  | Mr. Pushkar Khurana - Chairman and Executive Director<br>Mr. Puneet Khurana - Managing Director<br>Mr. Sanjiv Kapur - Chief Financial Officer<br>Mr. Vishal Totla - Company Secretary (w.e.f. 15 May 2023)                                                                                                                                                                                                                                            |
| <b>Relatives of Key Management Personnel (with whom transactions have taken place during the year)</b>                                                                                           | Ms. Suman Khurana                                                                                                                                                                                                                                                                                                                                                                                                                                     |

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**
**47 Related party disclosures (contd)**  
**(ii) Transactions with related parties during the year:**

|                                                     | Subsidiary companies     |                          | Step down subsidiary companies |                          | Non executive directors and other related parties where promoters, directors and their relatives exercise significant influence |                          | Key Management Personnel |                          | Relatives of Key Management Personnel |                          |
|-----------------------------------------------------|--------------------------|--------------------------|--------------------------------|--------------------------|---------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|---------------------------------------|--------------------------|
|                                                     | Year ended 31 March 2025 | Year ended 31 March 2024 | Year ended 31 March 2025       | Year ended 31 March 2024 | Year ended 31 March 2025                                                                                                        | Year ended 31 March 2024 | Year ended 31 March 2025 | Year ended 31 March 2024 | Year ended 31 March 2025              | Year ended 31 March 2024 |
| <b>Sale of goods:</b>                               |                          |                          |                                |                          |                                                                                                                                 |                          |                          |                          |                                       |                          |
| EKC International FZE                               | 16                       | 86                       | -                              | -                        | -                                                                                                                               | -                        | -                        | -                        | -                                     | -                        |
| EKC Europe GmbH                                     | -                        | -                        | 1                              | -                        | -                                                                                                                               | -                        | -                        | -                        | -                                     | -                        |
| Medical Engineers (India) Limited                   | -                        | -                        | -                              | -                        | 368                                                                                                                             | 524                      | -                        | -                        | -                                     | -                        |
| Next Gen Cylinder Private Limited                   | 150                      | -                        | -                              | -                        | -                                                                                                                               | -                        | -                        | -                        | -                                     | -                        |
| Royal Mirage Engineers Private Limited              | -                        | -                        | -                              | -                        | 40                                                                                                                              | -                        | -                        | -                        | -                                     | -                        |
| <b>Sale of consumables, stores and spares</b>       |                          |                          |                                |                          |                                                                                                                                 |                          |                          |                          |                                       |                          |
| EKC International FZE                               | -                        | 36                       | -                              | -                        | -                                                                                                                               | -                        | -                        | -                        | -                                     | -                        |
| C.P. Industries Holdings, Inc.                      | -                        | -                        | 111                            | -                        | -                                                                                                                               | -                        | -                        | -                        | -                                     | -                        |
| <b>Purchase of raw materials and stock-in-trade</b> |                          |                          |                                |                          |                                                                                                                                 |                          |                          |                          |                                       |                          |
| EKC International FZE                               | 289                      | -                        | -                              | -                        | -                                                                                                                               | -                        | -                        | -                        | -                                     | -                        |
| <b>Remuneration</b>                                 |                          |                          |                                |                          |                                                                                                                                 |                          |                          |                          |                                       |                          |
| Mr. Puneet Khurana                                  | -                        | -                        | -                              | -                        | -                                                                                                                               | -                        | 275                      | 250                      | -                                     | -                        |
| Mr. Vishal Totla                                    | -                        | -                        | -                              | -                        | -                                                                                                                               | -                        | 24                       | 18                       | -                                     | -                        |
| Mr. Sanjiv Kapur                                    | -                        | -                        | -                              | -                        | -                                                                                                                               | -                        | 77                       | 70                       | -                                     | -                        |
| Ms. Suman Khurana                                   | -                        | -                        | -                              | -                        | -                                                                                                                               | -                        | -                        | -                        | 30                                    | 30                       |
| <b>Sitting fees</b>                                 |                          |                          |                                |                          |                                                                                                                                 |                          |                          |                          |                                       |                          |
| Mr. Ghanshyam Karkera                               | -                        | -                        | -                              | -                        | 8                                                                                                                               | 8                        | -                        | -                        | -                                     | -                        |
| Ms. Uma Acharya                                     | -                        | -                        | -                              | -                        | 8                                                                                                                               | 8                        | -                        | -                        | -                                     | -                        |
| Mr. M N Sudhindra Rao                               | -                        | -                        | -                              | -                        | 2                                                                                                                               | 7                        | -                        | -                        | -                                     | -                        |
| Dr. Vijayanti Pandit                                | -                        | -                        | -                              | -                        | 5                                                                                                                               | 5                        | -                        | -                        | -                                     | -                        |
| Mr Ramakrishnan Ramanathan                          | -                        | -                        | -                              | -                        | 6                                                                                                                               | -                        | -                        | -                        | -                                     | -                        |
| <b>Commission to directors</b>                      |                          |                          |                                |                          |                                                                                                                                 |                          |                          |                          |                                       |                          |
| Mr. Pushkar Khurana                                 | -                        | -                        | -                              | -                        | -                                                                                                                               | -                        | 50                       | 54                       | -                                     | -                        |
| Mr. Puneet Khurana                                  | -                        | -                        | -                              | -                        | -                                                                                                                               | -                        | 50                       | 54                       | -                                     | -                        |
| Ms. Uma Acharya                                     | -                        | -                        | -                              | -                        | 5                                                                                                                               | 5                        | -                        | -                        | -                                     | -                        |
| Mr. M N Sudhindra Rao                               | -                        | -                        | -                              | -                        | 1                                                                                                                               | 5                        | -                        | -                        | -                                     | -                        |
| Mr. Ghanshyam Karkera                               | -                        | -                        | -                              | -                        | 5                                                                                                                               | 5                        | -                        | -                        | -                                     | -                        |
| Dr. Vijayanti Pandit                                | -                        | -                        | -                              | -                        | 5                                                                                                                               | 5                        | -                        | -                        | -                                     | -                        |
| Mr. Ramakrishnan Ramanathan                         | -                        | -                        | -                              | -                        | 4                                                                                                                               | -                        | -                        | -                        | -                                     | -                        |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

| (ii) Transactions with related parties during the year (contd):  |                          |                          |                                |                          |                                                                                                                                 |                          |                          |                          |                                       |                          |   | (₹ in lakhs) |
|------------------------------------------------------------------|--------------------------|--------------------------|--------------------------------|--------------------------|---------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|---------------------------------------|--------------------------|---|--------------|
|                                                                  | Subsidiary companies     |                          | Step down subsidiary companies |                          | Non executive directors and other related parties where promoters, directors and their relatives exercise significant influence |                          | Key Management Personnel |                          | Relatives of Key Management Personnel |                          |   |              |
|                                                                  | Year ended 31 March 2025 | Year ended 31 March 2024 | Year ended 31 March 2025       | Year ended 31 March 2024 | Year ended 31 March 2025                                                                                                        | Year ended 31 March 2024 | Year ended 31 March 2025 | Year ended 31 March 2024 | Year ended 31 March 2025              | Year ended 31 March 2024 |   |              |
| <b>Rent expenses</b>                                             |                          |                          |                                |                          |                                                                                                                                 |                          |                          |                          |                                       |                          |   |              |
| Khurana Fabrication Industries Private Limited                   | -                        |                          | -                              | -                        | 17                                                                                                                              | 17                       | -                        | -                        | -                                     | -                        | - |              |
| Khurana Exports Private Limited                                  | -                        | -                        | -                              | -                        | 4                                                                                                                               | 31                       | -                        | -                        | -                                     | -                        | - |              |
| Olive Steel Private Limited                                      | -                        | -                        | -                              | -                        | 63                                                                                                                              | 26                       | -                        | -                        | -                                     | -                        | - |              |
| Mr. Pushkar Khurana                                              | -                        | -                        | -                              | -                        | -                                                                                                                               | -                        | 4                        | 4                        | -                                     | -                        | - |              |
| <b>Other expenses</b>                                            |                          |                          |                                |                          |                                                                                                                                 |                          |                          |                          |                                       |                          |   |              |
| Khurana Exports Private Limited                                  | -                        | -                        | -                              | -                        | -                                                                                                                               | 7                        | -                        | -                        | -                                     | -                        | - |              |
| <b>Reimbursement of expenses (recovery of expense)</b>           |                          |                          |                                |                          |                                                                                                                                 |                          |                          |                          |                                       |                          |   |              |
| EKC International FZE                                            | 9                        | 23                       | -                              | -                        | -                                                                                                                               | -                        | -                        | -                        | -                                     | -                        | - |              |
| Calcutta Compressions & Liquefaction Engineering Limited         | 1                        | 4                        | -                              | -                        | -                                                                                                                               | -                        | -                        | -                        | -                                     | -                        | - |              |
| EKC Europe GmbH                                                  | -                        |                          | 1                              | -                        | -                                                                                                                               | -                        | -                        | -                        | -                                     | -                        | - |              |
| Mr. Puneet Khurana                                               | -                        | -                        | -                              | -                        | -                                                                                                                               | -                        | -                        | 1                        | 2                                     | -                        | - |              |
| Ms. Uma Acharya                                                  | -                        | -                        | -                              | -                        | -*                                                                                                                              | -*                       | -                        | -                        | -                                     | -                        | - |              |
| Mr. M N Sudhindra Rao                                            | -                        | -                        | -                              | -                        | -                                                                                                                               | -*                       | -                        | -                        | -                                     | -                        | - |              |
| Mr. Ghanshyam Karkera                                            | -                        | -                        | -                              | -                        | -*                                                                                                                              | -*                       | -                        | -                        | -                                     | -                        | - |              |
| Dr. Vaijayanti Pandit                                            | -                        | -                        | -                              | -                        | -*                                                                                                                              | -*                       | -                        | -                        | -                                     | -                        | - |              |
| Mr. Ramakrishnan Ramanathan                                      | -                        | -                        | -                              | -                        | -*                                                                                                                              | -*                       | -                        | -                        | -                                     | -                        | - |              |
| <b>Liability no longer required written back</b>                 |                          |                          |                                |                          |                                                                                                                                 |                          |                          |                          |                                       |                          |   |              |
| CP Industries Holdings, Inc.                                     | -                        | -                        | -                              | 9                        | -                                                                                                                               | -                        | -                        | -                        | -                                     | -                        | - |              |
| <b>Sundry balances write off</b>                                 |                          |                          |                                |                          |                                                                                                                                 |                          |                          |                          |                                       |                          |   |              |
| EKC International FZE                                            | -                        | 299                      | -                              | -                        | -                                                                                                                               | -                        | -                        | -                        | -                                     | -                        | - |              |
| <b>Bad debt &amp; advances in the nature of loan written off</b> |                          |                          |                                |                          |                                                                                                                                 |                          |                          |                          |                                       |                          |   |              |
| Calcutta Compressions & Liquefaction Engineering Limited         | -                        | 541                      | -                              | -                        | -                                                                                                                               | -                        | -                        | -                        | -                                     | -                        | - |              |
| <b>Excess provision written back</b>                             |                          |                          |                                |                          |                                                                                                                                 |                          |                          |                          |                                       |                          |   |              |
| Calcutta Compressions & Liquefaction Engineering Limited         | -                        | 81                       | -                              | -                        | -                                                                                                                               | -                        | -                        | -                        | -                                     | -                        | - |              |

\* Balance below rounding off norms

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

(₹ in lakhs)

**(iii) Balances of related parties**

|                                                                                                                                                                      | Subsidiary companies |                     | Step down subsidiary companies |                     | Non executive directors and other related parties where promoters, directors and their relatives exercise significant influence |                     | Key Management Personnel |                     | Relatives of Key Management Personnel |                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|---------------------|--------------------------------|---------------------|---------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------------|---------------------|---------------------------------------|---------------------|
|                                                                                                                                                                      | As at 31 March 2025  | As at 31 March 2024 | As at 31 March 2025            | As at 31 March 2024 | As at 31 March 2025                                                                                                             | As at 31 March 2024 | As at 31 March 2025      | As at 31 March 2024 | As at 31 March 2025                   | As at 31 March 2024 |
| <b>Payables (Trade payables and other liabilities)</b>                                                                                                               |                      |                     |                                |                     |                                                                                                                                 |                     |                          |                     |                                       |                     |
| Mr. Pushkar Khurana                                                                                                                                                  | -                    | -                   | -                              | -                   | -                                                                                                                               | -                   | 50                       | 54                  | -                                     | -                   |
| Mr. Puneet Khurana                                                                                                                                                   | -                    | -                   | -                              | -                   | -                                                                                                                               | -                   | 57                       | 61                  | -                                     | -                   |
| Mr. Vishal Totla                                                                                                                                                     | -                    | -                   | -                              | -                   | -                                                                                                                               | -                   | 2                        | 1                   | -                                     | -                   |
| Mr. Sanjiv Kapur                                                                                                                                                     | -                    | -                   | -                              | -                   | -                                                                                                                               | -                   | 4                        | 4                   | -                                     | -                   |
| Ms. Uma Acharya                                                                                                                                                      | -                    | -                   | -                              | -                   | 5                                                                                                                               | 5                   | -                        | -                   | -                                     | -                   |
| Mr. M N Sudhindra Rao                                                                                                                                                | -                    | -                   | -                              | -                   | 1                                                                                                                               | 5                   | -                        | -                   | -                                     | -                   |
| Mr. Ghanshyam Karkera                                                                                                                                                | -                    | -                   | -                              | -                   | 5                                                                                                                               | 5                   | -                        | -                   | -                                     | -                   |
| Dr. Vijayanti Pandit                                                                                                                                                 | -                    | -                   | -                              | -                   | 5                                                                                                                               | 5                   | -                        | -                   | -                                     | -                   |
| Mr. Ramakrishnan Ramanathan                                                                                                                                          | -                    | -                   | -                              | -                   | 4                                                                                                                               | -                   | -                        | -                   | -                                     | -                   |
| Ms. Suman Khurana                                                                                                                                                    | -                    | -                   | -                              | -                   | -                                                                                                                               | -                   | -                        | -                   | 2                                     | 2                   |
| <b>Loans &amp; advances given</b>                                                                                                                                    |                      |                     |                                |                     |                                                                                                                                 |                     |                          |                     |                                       |                     |
| Calcutta Compressions & Liquefaction Engineering Limited [Fully provided : Provision ₹ Nil during year ended 31 March 2025 (during year ended 31 March 2024: ₹ Nil)] | 583                  | 583                 | -                              | -                   | -                                                                                                                               | -                   | -                        | -                   | -                                     | -                   |
| <b>Other advances</b>                                                                                                                                                |                      |                     |                                |                     |                                                                                                                                 |                     |                          |                     |                                       |                     |
| Mr. Puneet Khurana                                                                                                                                                   | -                    | -                   | -                              | -                   | -                                                                                                                               | -                   | -                        | 10                  | -                                     | -                   |
| <b>Revenue received in advance</b>                                                                                                                                   |                      |                     |                                |                     |                                                                                                                                 |                     |                          |                     |                                       |                     |
| Medical Engineers (India) Limited                                                                                                                                    | -                    | -                   | -                              | -                   | -                                                                                                                               | 23                  | -                        | -                   | -                                     | -                   |
| CP Industries Holdings, Inc.                                                                                                                                         | -                    | -                   | 92                             | 112                 | -                                                                                                                               | -                   | -                        | -                   | -                                     | -                   |
| <b>Receivables</b>                                                                                                                                                   |                      |                     |                                |                     |                                                                                                                                 |                     |                          |                     |                                       |                     |
| EKC International FZE                                                                                                                                                | 1                    | 9                   | -                              | -                   | -                                                                                                                               | -                   | -                        | -                   | -                                     | -                   |
| Calcutta Compressions & Liquefaction Engineering Limited                                                                                                             | -                    | -                   | -                              | -                   | -                                                                                                                               | -                   | -                        | -                   | -                                     | -                   |
| EKC Europe GmbH                                                                                                                                                      | -                    | -                   | -                              | -                   | -                                                                                                                               | 1                   | -                        | -                   | -                                     | -                   |
| Next Gen Cylinder Private Limited                                                                                                                                    | 36                   | -                   | -                              | -                   | -                                                                                                                               | -                   | -                        | -                   | -                                     | -                   |
| Royal Mirage Engineers Private Limited                                                                                                                               | -                    | -                   | -                              | -                   | 48                                                                                                                              | -                   | -                        | -                   | -                                     | -                   |
| <b>Deposit receivable</b>                                                                                                                                            |                      |                     |                                |                     |                                                                                                                                 |                     |                          |                     |                                       |                     |
| Khurana Exports Private Limited                                                                                                                                      | -                    | -                   | -                              | -                   | 10                                                                                                                              | 10                  | -                        | -                   | -                                     | -                   |
| <b>Personal guarantees from promoter directors for borrowings by the Company [Refer note (c) below]</b>                                                              |                      |                     |                                |                     |                                                                                                                                 |                     |                          |                     |                                       |                     |

**Notes:**

- Foreign currency balances are restated using closing rate as at balance sheet date.
- Loans given to subsidiaries have been utilised by them for acquisition of property, plant and equipment and for working capital.
- Personal guarantees given to banks for working capital loans with sanctioned limit of ₹ 15,700 lakhs as at 31 March 2025 (₹ 14,537 lakhs as at 31 March 2024) by promoter directors against which ₹ 8,469 lakhs was outstanding as at 31 March 2025 (₹ Nil as at 31 March 2024).
- The Company has provided letter committing financial support to its step down subsidiary, CP Industries Holdings, Inc. till 31 May 2025 to enable it to meet its day to day obligations/ commitments; to the extent this entity may be unable to meet its obligations.
- All the transactions stated above with related parties are on arm's length basis.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

## Compensation to Key Management Personnel\*

(₹ in lakhs)

|                              | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|------------------------------|-----------------------------|-----------------------------|
| Short-term employee benefits | 354                         | 316                         |
| Post-employment benefits     | 22                          | 22                          |
| Commission                   | 100                         | 108                         |
| <b>Total compensation</b>    | <b>476</b>                  | <b>446</b>                  |

\* The aforesaid amounts do not include amount in respect of gratuity and compensated absences as the same is not determined for individual employees.

## 48 Contingent liabilities, capital and other commitments

(₹ in lakhs)

|                                                                                                                                                                                                                                                                             | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>(A) Contingent liabilities:</b>                                                                                                                                                                                                                                          |                        |                        |
| (i) Income tax matters under dispute                                                                                                                                                                                                                                        | 1,508                  | 1,443                  |
| (ii) Value added tax                                                                                                                                                                                                                                                        | 7                      | 7                      |
| (iii) Excise duty and interest thereon                                                                                                                                                                                                                                      | 174                    | 131                    |
| (iv) Goods and service tax and interest & penalty thereon                                                                                                                                                                                                                   | 35,210                 | 106                    |
| (v) Claims against Company not acknowledged as debts                                                                                                                                                                                                                        | 88                     | 54                     |
| Future cash flows in respect of the above are determinable only on pronouncements of judgments / decisions pending with various forums / authorities.                                                                                                                       |                        |                        |
| <b>(B) Commitments:</b>                                                                                                                                                                                                                                                     |                        |                        |
| (i) Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances)                                                                                                                                                         | 924                    | 752                    |
| (ii) Uncalled amount of partly paid equity shares of a subsidiary company                                                                                                                                                                                                   | 177                    | 177                    |
| (iii) The Company has provided letter committing financial support to its step down subsidiary, CP Industries Holdings, Inc. till 31 May 2025 to enable it to meet its day to day obligations/commitments; to the extent this entity may be unable to meet its obligations. | -                      | -                      |

## 49 Employee benefits

## (A) Defined contribution plan:

Contribution to defined contribution plans, recognised as expense for the year in the Statement of profit and loss are as under:

(₹ in lakhs)

|                                                           | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-----------------------------------------------------------|-----------------------------|-----------------------------|
| Employer contribution to provident fund                   | 204                         | 170                         |
| Employer contribution to employees state insurance scheme | 7                           | 10                          |
| Employer contribution to labour welfare fund              | 1                           | 1                           |
| <b>Total</b>                                              | <b>212</b>                  | <b>181</b>                  |

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**
**(B) Defined benefit plan:**
**Gratuity (funded scheme)**

The Company provides gratuity benefit for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

(₹ in lakhs, unless otherwise stated)

|                                                                               |  | <b>Year ended<br/>31 March 2025</b> | <b>Year ended<br/>31 March 2024</b> |
|-------------------------------------------------------------------------------|--|-------------------------------------|-------------------------------------|
| <b>(i) Actuarial assumptions</b>                                              |  |                                     |                                     |
| Mortality table                                                               |  | <b>IALM (2012-14) ult</b>           | IALM (2012-14) ult                  |
| Discount rate (%) (per annum)                                                 |  | <b>6.70%</b>                        | 7.20%                               |
| Rate of increase in compensation (%) (per annum)                              |  | <b>7.00%</b>                        | 7.00%                               |
| <b>Withdrawal rate (%) (per annum)</b>                                        |  |                                     |                                     |
| Age 21-30 years                                                               |  | <b>10.00%</b>                       | 10.00%                              |
| Age 31-40 years                                                               |  | <b>5.00%</b>                        | 5.00%                               |
| Age 41-57 years                                                               |  | <b>3.00%</b>                        | 3.00%                               |
| <b>(ii) Assets information (%)</b>                                            |  | <b>100%</b>                         | 100%                                |
| Insurer managed funds                                                         |  |                                     |                                     |
| <b>(iii) Changes in the present value of defined benefit obligation (DBO)</b> |  |                                     |                                     |
| Present value of obligation at the beginning of the year                      |  | <b>433</b>                          | 401                                 |
| Interest expense                                                              |  | <b>29</b>                           | 28                                  |
| Current service cost                                                          |  | <b>44</b>                           | 40                                  |
| Actuarial loss/ (gain)                                                        |  | <b>75</b>                           | (6)                                 |
| Benefits paid                                                                 |  | <b>(55)</b>                         | (30)                                |
| <b>Present value of obligation at the end of the year</b>                     |  | <b>526</b>                          | 433                                 |
| <b>(iv) Changes in the fair value of plan assets</b>                          |  |                                     |                                     |
| Fair value of plan assets at beginning of the year                            |  | <b>301</b>                          | 218                                 |
| Interest income                                                               |  | <b>21</b>                           | 16                                  |
| Contributions                                                                 |  | <b>42</b>                           | 96                                  |
| Benefits paid                                                                 |  | <b>(55)</b>                         | (30)                                |
| Actuarial (loss)/ gain                                                        |  | <b>(1)</b>                          | 1                                   |
| <b>Fair value of plan assets at the end of the year</b>                       |  | <b>308</b>                          | 301                                 |
| <b>(v) Assets and liabilities recognised in the Standalone Balance Sheet</b>  |  |                                     |                                     |
| Present value of the defined benefit obligation at the end of the year        |  | <b>526</b>                          | 433                                 |
| Less: Fair value of plan assets at the end of the year                        |  | <b>(308)</b>                        | (300)                               |
| <b>Net liability recognised</b>                                               |  | <b>218</b>                          | 133                                 |
| <b>Recognised under provisions</b>                                            |  |                                     |                                     |
| Current                                                                       |  | <b>-</b>                            | -                                   |
| Non-current                                                                   |  | <b>218</b>                          | 133                                 |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(₹ in lakhs, unless otherwise stated)

|        |                                                                                                | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------|------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| (vi)   | <b>Expenses recognised in the Standalone Statement of Profit and Loss</b>                      |                             |                             |
|        | Current service cost                                                                           | 44                          | 40                          |
|        | Net interest expense                                                                           | 8                           | 12                          |
|        | <b>Net gratuity cost recognised during the year in the Statement of Profit and Loss</b>        | 52                          | 52                          |
|        | Included in note 39 'Employee benefits expense                                                 |                             |                             |
| (vii)  | <b>Expenses recognised in Other comprehensive income / (loss)</b>                              |                             |                             |
|        | Actuarial gain / (loss) on measurements of defined employee benefit plans                      | (75)                        | 6                           |
|        | <b>Total remeasurement cost for the year recognised in Other comprehensive income / (loss)</b> | (75)                        | 6                           |
| (viii) | <b>Reconciliation of net asset / (liability) recognised:</b>                                   |                             |                             |
|        | Net asset / (liability) recognised at the beginning of the period                              | (133)                       | (183)                       |
|        | Company contributions                                                                          | 42                          | 96                          |
|        | Actuarial gain / (loss)                                                                        | (75)                        | 6                           |
|        | Expenses recognised at the end of period                                                       | (52)                        | (52)                        |
|        | <b>Net asset / (liability) recognised at the end of the period</b>                             | (218)                       | (133)                       |

## (ix) Sensitivity Analysis:

| Particulars                                                  | As at 31 March 2025 |          | As at 31 March 2024 |          |
|--------------------------------------------------------------|---------------------|----------|---------------------|----------|
|                                                              | Decrease            | Increase | Decrease            | Increase |
| Impact of increase in 50 bps on DBO (discount rate)          | 3.69%               | -        | 3.78%               | -        |
| Impact of decrease in 50 bps on DBO (discount rate)          | -                   | 3.96%    | -                   | 4.05%    |
| Impact of increase in 50 bps on DBO (salary escalation rate) | -                   | 3.86%    | -                   | 3.95%    |
| Impact of decrease in 50 bps on DBO (salary escalation rate) | 3.63%               | -        | 3.71%               | -        |

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

## (x) Number of employees:

(in numbers)

|                                                                                                                                        | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|----------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Active members                                                                                                                         | 756                         | 651                         |
| The Company expects to contribute around ₹ 40 lakhs (FY 2023-24 : ₹ 40 lakhs) to the funded plans in next financial year for gratuity. |                             |                             |

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**
**(xi) Maturity analysis of projected benefit obligation (undiscounted):**

(₹ in lakhs)

| Year         | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------|-----------------------------|-----------------------------|
| 1            | 87                          | 51                          |
| 2            | 47                          | 49                          |
| 3            | 49                          | 41                          |
| 4            | 61                          | 48                          |
| 5            | 44                          | 52                          |
| 6            | 20                          | 38                          |
| 7            | 61                          | 17                          |
| 8            | 41                          | 54                          |
| 9            | 33                          | 35                          |
| 10 and above | 555                         | 495                         |

**(xii) Description of risk exposures**

Valuations are performed on certain basic set of pre-determined assumptions which may vary over time. Thus, the Company is exposed to various risks in providing the above benefit which are as follows:

**Interest rate risk:** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of liability (as shown in financial statements).

**Liquidity risk:** This is the risk that the Company is not able to meet the short term benefit payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

**Salary escalation risk:** The present value of the above benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase in salary in future for plan participants

from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Demographic risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

**Regulatory risk:** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts.

**Asset liability mismatching or market risk:** The duration of the liability is longer compared to duration of assets exposing the company to market risks for volatilities/fall in interest rate.

**Investment risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

**(C)** The obligation of compensated absences is recognised in the Standalone Statement of Profit and Loss for the year ended 31 March 2025 is ₹ 61 lakhs (31 March 2024: ₹ 30 lakhs) based on the actuarial valuation.

(₹ in lakhs)

|                        | As at<br>31 March 2025 | As at<br>31 March 2024 |
|------------------------|------------------------|------------------------|
| Current provisions     | 32                     | 27                     |
| Non-current provisions | 158                    | 136                    |
| <b>Total</b>           | <b>190</b>             | <b>163</b>             |

**50 Segment reporting**

In accordance with Ind AS 108, 'Operating Segments', segment information has been disclosed in the Consolidated Financial Statements of the Company, and therefore, no

separate disclosure on segment information is given in the standalone financial statements.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

**51 Revenue from contracts with customers**

The Company derives revenues primarily from sale of high pressure seamless gas cylinders and other cylinders, equipments, appliances and other related services. Further, the Company is engaged in the trading of fire extinguishment and related equipment.

Under Ind AS 115, an entity recognises revenue when it transfers control of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The Company determines revenue recognition through the following steps:

1. Identification of the contract, or contracts, with a customer.
2. Identification of the performance obligations in the contract.
3. Determination of the transaction price.
4. Allocation of the transaction price to the performance obligations in the contract.

5. Recognition of revenue when, or as, we satisfy a performance obligation.

At contract inception, the Company assesses the goods and services promised in the contracts with customers and identifies a performance obligation for each promise to transfer to the customer a good or service (or bundle of goods or services) that is distinct. To identify the performance obligations, the Company considers all of the goods and services promised in the contract regardless of whether they are explicitly stated or are implied by customary business practices.

The majority of customer contracts that Company enters into consist of a single performance obligation for the delivery of cylinders, fire fighting equipment and castor oil. The Company recognizes revenue from product sales when control of the product transfers i.e. generally upon shipment.

Some contracts provide customers with a right of return and Company recognises provision for sales return, based on the historical results, measured as net margin of such sale. [Refer notes 19 and 33].

**Disaggregation of revenue****a) Revenue based on geography**

(₹ in lakhs)

|               | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---------------|-----------------------------|-----------------------------|
| Within India  | 94,269                      | 76,670                      |
| Outside India | 353                         | 482                         |
| <b>Total</b>  | <b>94,622</b>               | <b>77,152</b>               |

**b) Revenue based on product**

(₹ in lakhs)

|                         | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-------------------------|-----------------------------|-----------------------------|
| Cylinders               | 91,527                      | 74,418                      |
| Fire fighting equipment | 241                         | 490                         |
| Others                  | 2,854                       | 2,244                       |
| <b>Total</b>            | <b>94,622</b>               | <b>77,152</b>               |

**c) Revenue based on timing of recognition**

(₹ in lakhs)

|                                         | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-----------------------------------------|-----------------------------|-----------------------------|
| Revenue recognition at a point in time  | 94,622                      | 77,152                      |
| Revenue recognition over period of time | -                           | -                           |
| <b>Total</b>                            | <b>94,622</b>               | <b>77,152</b>               |

**d) Reconciliation of revenue recognised in the Standalone Statement of Profit and Loss with the contracted price**

(₹ in lakhs)

|                                             | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---------------------------------------------|-----------------------------|-----------------------------|
| Revenue as per contracted price             | 95,014                      | 77,765                      |
| Sales return                                | 392                         | 613                         |
| <b>Revenue from contract with customers</b> | <b>94,622</b>               | <b>77,152</b>               |

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**
**Contract balances**

(₹ in lakhs)

|                                                                                                        | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Trade receivables [gross of provision for doubtful debts of ₹ 654 lakhs (31 March 2024 : ₹ 438 lakhs)] | 15,830                      | 12,101                      |
| Revenue received in advance                                                                            | 1,499                       | 1,968                       |

**52 Earnings per share**

|                                                                                | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Net Profit after tax attributable to equity share holders (₹ In lakhs)         | 5,330                       | 5,386                       |
| Weighted average number of equity shares outstanding during the year (numbers) | 11,22,07,682                | 11,22,07,682                |
| Basic and diluted earnings per share (₹)                                       | 4.75                        | 4.80                        |
| Face value per share (₹)                                                       | 2.00                        | 2.00                        |

**Note:**

- (i) The Company does not have any outstanding dilutive potential equity shares as at 31 March 2025 and 31 March 2024. Consequently, basic and diluted earnings per share of the Company remains the same.

**53 Assets pledged as security**

The carrying amount of assets pledged as security are as under:

(₹ in lakhs)

|                                                    | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------------------------------|------------------------|------------------------|
| <b>Non-current assets</b>                          |                        |                        |
| Property, plant and equipment                      | 22,202                 | 22,653                 |
| Capital work-in-progress                           | 11,006                 | 6,184                  |
| Investment property                                | 2,536                  | 2,304                  |
| Intangible assets                                  | 51                     | 50                     |
| <b>Financial assets</b>                            |                        |                        |
| Trade receivables                                  | 114                    | 276                    |
| <b>Current assets</b>                              |                        |                        |
| <b>Financial assets</b>                            |                        |                        |
| Investments                                        | 6,003                  | 4,063                  |
| Trade receivables                                  | 15,062                 | 11,387                 |
| Cash and cash equivalents                          | 420                    | 328                    |
| Bank balances other than cash and cash equivalents | 1,550                  | 2,363                  |
| Loans                                              | 87                     | 87                     |
| Other financial assets                             | 132                    | 333                    |
| <b>Non financial assets</b>                        |                        |                        |
| Inventories                                        | 25,965                 | 20,276                 |
| Other current assets                               | 5,659                  | 4,483                  |
| Assets classified as held for sale                 | 894                    | 1,124                  |
| <b>Total assets pledged as security</b>            | <b>91,681</b>          | <b>75,911</b>          |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

## 54 Ind AS 116, 'Leases'

The disclosure required in accordance with Ind AS 116 are as follows:

- a) The Company's leased assets primarily consist of leases for land, building (premises) and warehouses having various lease terms.

- b) The maturity analysis of lease liabilities are disclosed in note 45(B).
- c) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Balance sheet discloses the following amounts relating to leases:

(₹ in lakhs)

|                            | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------|------------------------|------------------------|
| <b>Right-of-use assets</b> |                        |                        |
| Leasehold land             | 92                     | 93                     |
| Buildings                  | 1,829                  | 1,407                  |
|                            | 1,921                  | 1,500                  |
| <b>Lease liabilities</b>   |                        |                        |
| Current                    | 41                     | 130                    |
| Non-current                | 1,932                  | 1,336                  |
|                            | 1,973                  | 1,466                  |

Amounts recognised in Standalone Statement of Profit and Loss:

(₹ in lakhs)

|                                                                                           | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Depreciation / Amortisation charge on Right-of-use assets</b>                          |                        |                        |
| Leasehold land                                                                            | 1                      | 1                      |
| Buildings                                                                                 | 202                    | 235                    |
|                                                                                           | 203                    | 236                    |
| Interest expense included in finance cost                                                 | 184                    | 140                    |
| Expense relating to short-term leases                                                     | 109                    | 67                     |
| Gain on lease modification and termination (included in Miscellaneous income)             | -                      | 22                     |
| Total cash outflow for leases during current financial year (excluding short term leases) | 296                    | 188                    |
| Additions / (deletions) to the right-of-use assets during the current financial year      | 624                    | 472                    |

The movement in lease liabilities is as follows:

(₹ in lakhs)

|                                           | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-------------------------------------------|-----------------------------|-----------------------------|
| Balance at the beginning of the year      | 1,466                       | 1,204                       |
| Additions / (deletions) during the year   | 619                         | 450                         |
| Interest expense included in finance cost | 184                         | 140                         |
| Payment of lease obligations              | (296)                       | (328)                       |
| <b>Lease liabilities</b>                  | 1,973                       | 1,466                       |
| Current                                   | 41                          | 130                         |
| Non-current                               | 1,932                       | 1,336                       |

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

Details regarding the contractual maturities of lease liabilities as at year end on an undiscounted basis:

(₹ in lakhs)

|                   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------|------------------------|------------------------|
| Less than 1 year  | 255                    | 263                    |
| 1-5 years         | 1,019                  | 846                    |
| More than 5 years | 2,210                  | 1,358                  |
|                   | <b>3,484</b>           | <b>2,467</b>           |

**55 Ratios**

| Sr. No. | Type of ratio                   | Measure (in times / percentage) | Formula for computation                              | Ratio         |               | Variation in ratio between 31 March 2025 and 31 March 2024 | Reasons for variance more than +/- 25%                                      |
|---------|---------------------------------|---------------------------------|------------------------------------------------------|---------------|---------------|------------------------------------------------------------|-----------------------------------------------------------------------------|
|         |                                 |                                 |                                                      | 31 March 2025 | 31 March 2024 |                                                            |                                                                             |
| 1       | Current ratio                   | Times                           | Current assets/ Current liabilities                  | <b>3.14</b>   | 5.16          | (39.18%)                                                   | Change due to increase in trade payables and borrowings.                    |
| 2       | Debt-equity ratio               | Times                           | Total Debt/Equity                                    | <b>0.17</b>   | 0.02          | 630.94%                                                    | Change due to increase in utilisation of cash credit facilities from banks. |
| 3       | Debt service coverage ratio     | Times                           | Earnings for debt service/ Debt Service              | <b>7.93</b>   | 1.50          | 427.17%                                                    | The ratio has improved due to reduction of debt repayments.                 |
| 4       | Return on equity ratio          | Percentage                      | Profit after tax/ Average Share-holders' Equity      | <b>7.33%</b>  | 7.90%         | (7.24%)                                                    | –                                                                           |
| 5       | Inventory turnover ratio        | Times                           | Cost of Goods Sold/Average inventory                 | <b>2.50</b>   | 2.30          | 8.52%                                                      | –                                                                           |
| 6       | Trade receivable turnover ratio | Times                           | Revenue from operations/Average trade receivable     | <b>7.05</b>   | 6.91          | 1.99%                                                      | –                                                                           |
| 7       | Trade payable turnover ratio    | Times                           | Net Purchases/ Average trade payables                | <b>15.42</b>  | 12.59         | 22.51%                                                     | Change due to increase in purchases                                         |
| 8       | Net capital turnover ratio      | Times                           | Revenue from operations/ Working capital             | <b>2.53</b>   | 2.21          | 14.55%                                                     | –                                                                           |
| 9       | Net profit ratio                | Percentage                      | Net Profit/(Loss) after tax/ Revenue from operations | <b>5.63%</b>  | 6.98%         | (19.31%)                                                   | –                                                                           |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

## 55 Ratios

| Sr. No. | Type of ratio              | Measure (in times / percentage) | Formula for computation                             | Ratio         |               | Variation in ratio between 31 March 2025 and 31 March 2024 | Reasons for variance more than +/- 25%        |
|---------|----------------------------|---------------------------------|-----------------------------------------------------|---------------|---------------|------------------------------------------------------------|-----------------------------------------------|
|         |                            |                                 |                                                     | 31 March 2025 | 31 March 2024 |                                                            |                                               |
| 10      | Return on capital employed | Percentage                      | Earnings Before Interest and tax / Capital Employed | 9.45%         | 10.60%        | (10.80%)                                                   | —                                             |
| 11      | Return on investment       | Percentage                      | Income from investments / Average investments       | 7.89%         | 3.49%         | 126.28%                                                    | Change due to increase in average investments |

## Notes:

- Earnings for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.
- Total debt = Borrowings + Lease liabilities
- Debt service = Interest & Lease Payments + Principal Repayments
- Cost of Good sold = Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories of finished goods, stock-in-trade and work-in-progress + Manufacturing expenses (included under the head operating expenses)
- Average inventory = (Opening inventory + closing inventory)/2
- Average trade receivables = (Opening trade receivables + closing trade receivables)/2
- Net purchases = Net purchases of stock in trade + Net credit purchases of raw materials
- Average trade payables = (Opening trade payables + closing trade payables)/2
- Working Capital = Current Assets - Current Liabilities
- Earnings before Interest and Tax (EBIT) = Profit after exceptional item and before tax + Finance costs (recognised)
- Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability
- Average investments = (Opening income earning investments including non-current investments FVTOCI, current investments FVTPL, bank deposits, inter-corporate deposits + Closing income earning investments including non-current investments FVTOCI, current investments FVTPL, bank deposits, inter-corporate deposits)/2

## 56 Net debt reconciliation

Reconciliation of non-cash and cash flow changes in financing activities

(₹ in lakhs)

|                                                       | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------------------------------------------|------------------------|------------------------|
| Cash and Cash equivalents and other bank balances     | 2,556                  | 3,406                  |
| Non-current borrowings (including current maturities) | (181)                  | (157)                  |
| Current borrowings                                    | (8,469)                | -                      |
| Lease liabilities (including current portion)         | (1,973)                | (1,466)                |
| <b>Net debt</b>                                       | <b>(8,067)</b>         | 1,783                  |

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

(₹ in lakhs)

|                                        | Cash and Cash equivalents and other bank balances | Borrowings (excluding working capital) | Working capital | Lease liabilities | Total          |
|----------------------------------------|---------------------------------------------------|----------------------------------------|-----------------|-------------------|----------------|
| <b>Net Debt as at 1 April 2023</b>     | <b>2,827</b>                                      | <b>(188)</b>                           | <b>(4,809)</b>  | <b>(1,203)</b>    | <b>(3,373)</b> |
| Cash flows                             | 579                                               | 31                                     | 4,809           | 187               | 5,607          |
| Lease (reduction)/addition             | -                                                 | -                                      | -               | (450)             | (450)          |
| Interest expense                       | -                                                 | (16)                                   | (187)           | (140)             | (343)          |
| Interest paid                          | -                                                 | 16                                     | 187             | 140               | 343            |
| <b>Net Debt as at 31 March 2024</b>    | <b>3,406</b>                                      | <b>(157)</b>                           | <b>-</b>        | <b>(1,466)</b>    | <b>1,783</b>   |
| Cash flows                             | (850)                                             | (24)                                   | (8,469)         | 296               | (9,047)        |
| Lease (reduction)/addition/adjustments | -                                                 | -                                      | -               | (803)             | (803)          |
| Interest expense                       | -                                                 | (15)                                   | (187)           | (184)             | (386)          |
| Interest paid                          | -                                                 | 15                                     | 187             | 184               | 386            |
| <b>Net Debt as at 31 March 2025</b>    | <b>2,556</b>                                      | <b>(181)</b>                           | <b>(8,469)</b>  | <b>(1,973)</b>    | <b>(8,067)</b> |

**57 Expenditure towards corporate social responsibility**

(₹ in lakhs)

|                                                                                                                                    | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Average net profit of the Company as per Section 198 of Companies Act, 2013 during the three immediately preceding financial years | <b>16,983</b>               | 19,624                      |
| Amount required to be spent as per Section 135 of the Companies Act, 2013 (2% of the average net profit as computed above)         | <b>340</b>                  | 392                         |
| <b>Amount spent by the Company during the year</b>                                                                                 | <b>340</b>                  | 392                         |
| (i) Construction / acquisition of an asset                                                                                         | -                           | -                           |
| (ii) On purpose other than (i) above**                                                                                             | <b>340</b>                  | 392                         |
| Amount Excess Spend during earlier year carried forward and adjusted in current year                                               | -*                          | -*                          |
| Amount unspent / (excess spent) as at balance sheet date                                                                           | -*                          | -*                          |

\* Balances below rounding off norms.

(₹ in lakhs)

|                                 | Opening Balance | Amount deposited in Specified Fund of Sch. VII within 6 months | Amount required to be spent during the year | Amount spent during the year | Closing Balance |
|---------------------------------|-----------------|----------------------------------------------------------------|---------------------------------------------|------------------------------|-----------------|
| <b>Year ended 31 March 2025</b> | -*              | -                                                              | 340                                         | (340)                        | -               |
| <b>Year ended 31 March 2024</b> | -*              | -                                                              | 392                                         | (392)                        | -*              |

\* Balances below rounding off norms.

\*\* The aforesaid payments were made to various charitable trusts for eradication of hunger, poverty, malnutrition and promoting education etc.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### 58 Other Statutory Information:

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off by Registrar of Companies (ROC)
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company does not have any transaction which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vi) No funds have been advanced or loaned or invested by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(viii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

**59** The Company is using accounting software for maintaining its books of accounts which has feature of recording audit trail and same has operated throughout the year for all relevant transactions recorded in the software. The audit trail feature has not been tampered with and being preserved by the Company as per the statutory requirements for record retention.

**60** Figures of previous period / year have been regrouped / rearranged, wherever considered necessary.

**61** The standalone financial statements were authorised for issue by the Board of Directors on 23 May 2025.

As per our report of even date attached  
**For Suresh Surana & Associates LLP**  
 Chartered Accountants  
 Firm's Registration No: 121750W/W100010

**Vinodkumar Varma**  
 Partner  
 Membership No. 105545

Place : Mumbai  
 Date : 23 May 2025

### For and on behalf of the Board of Directors

**Pushkar Khurana**  
 Chairman and Executive Director  
 DIN: 00040489  
 Place : Dubai  
 Date : 23 May 2025

**Sanjiv Kapur**  
 Chief Financial Officer

Place : Mumbai  
 Date : 23 May 2025

**Puneet Khurana**  
 Managing Director  
 DIN: 00004074  
 Place : Mumbai  
 Date : 23 May 2025

**Vishal Totla**  
 Company Secretary  
 Membership No: A26757  
 Place : Mumbai  
 Date : 23 May 2025

Everest Kanto Cylinder Limited  
FY 2024-25

**Form AOC-I**

**(Pursuant to first proviso to sub-section (3) of Section 129 of Companies Act, 2013  
read with Rule 5 of Companies (Accounts) Rules, 2014)**

**Statement containing salient features of the financial statement of  
subsidiaries / associate companies / joint ventures**

(₹ in Lakhs)

| Sr. No. | Name of the subsidiaries                                                                                | EKC International FZE | EKC General Trading FZE | EKC Hungary Kft | CP Industries Holdings, Inc. | EKC Europe GmbH  | EKC Europe GYARTO Zrt | EKC Egypt      | Calcutta Compressions & Liquefaction Engineering Ltd. | Next Gen Cylinder Pvt. Ltd. |
|---------|---------------------------------------------------------------------------------------------------------|-----------------------|-------------------------|-----------------|------------------------------|------------------|-----------------------|----------------|-------------------------------------------------------|-----------------------------|
| 1       | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | NA                    | NA                      | NA              | NA                           | NA               | NA                    | NA             | NA                                                    | NA                          |
| 2       | Reporting currency                                                                                      | AED                   | AED                     | USD             | USD                          | Euro             | HUF                   | EGP            | INR                                                   | INR                         |
| 3       | Exchange rate as on 31.03.2025                                                                          | 1 AED = 22.2626       | 1 AED = 22.2626         | 1 USD = 85.5814 | 1 USD = 85.5814              | 1 EURO = 92.3246 | 1 HUF = 0.2297        | 1 EGP = 1.6890 | NA                                                    | NA                          |
| 4       | Share capital                                                                                           | 4,002                 | 23                      | 6,581           | 32,049                       | 23               | 137                   | 287            | 487                                                   | 10                          |
| 5       | Reserves & surplus                                                                                      | 67,889                | 22                      | (437)           | (17,540)                     | (637)            | (24)                  | (1,256)        | (1,068)                                               | -                           |
| 6       | Total assets                                                                                            | 76,268                | 59                      | 6,157           | 33,737                       | 909              | 142                   | 5,273          | 2                                                     | 47                          |
| 7       | Total Liabilities                                                                                       | 76,268                | 59                      | 6,157           | 33,737                       | 909              | 142                   | 5,273          | 2                                                     | 47                          |
| 8       | Investments                                                                                             | 48,057                | -                       | -               | -                            | -                | -                     | -              | -                                                     | -                           |
| 9       | Turnover                                                                                                | 17,278                | 269                     | 816             | 37,405                       | 2,714            | -                     | -              | -                                                     | 166                         |
| 10      | Profit/(Loss) before taxation                                                                           | 276                   | 22                      | 768             | 4,674                        | (61)             | (2)                   | (713)          | 1                                                     | 10                          |
| 11      | Provision for taxation                                                                                  | -                     | -                       | 64              | 467                          | -                | -                     | -              | -                                                     | -                           |
| 12      | Profit/(Loss) after taxation                                                                            | 276                   | 22                      | 705             | 4,208                        | (61)             | (2)                   | (713)          | 1                                                     | 10                          |
| 13      | % of shareholding                                                                                       | 100%                  | 100%                    | 100%            | 100%                         | 100%             | 80%                   | 97.01%         | 100%                                                  | 100%                        |

## INDEPENDENT AUDITOR'S REPORT

To the Members of Everest Kanto Cylinder Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of **Everest Kanto Cylinder Limited** ("the Holding Company") which includes branch located at Dubai, and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2025, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended and notes to the consolidated financial statements, including summary of material accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the branch auditor and other auditors on separate financial statements and on the other financial information of the branch and subsidiaries as refer to in Other Matters paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2025, its consolidated profit (including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our Report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and a branch, were of most significance in our audit of the consolidated financial statements for the year ended 31 March 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matter to be communicated in our report.

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Assessment of recoverable value of idle Property, plant and equipment including capital work-in-progress</b></p> <p>(Refer notes 3 and 4 to the accompanying consolidated financial statements)</p> <p>As at 31 March 2025, the net carrying amount of certain idle property, plant and equipment (PPE) and capital work-in-progress (CWIP) is ₹ 1,094 lakhs and ₹ 1,871 lakhs, respectively.</p> <p>The aforesaid PPE and CWIP have remained idle for a considerable period due to demand contraction for certain products. Therefore, management has considered it as an indicator of possible impairment in the carrying value of these PPE and CWIP.</p> | <p><b>Our audit included, but was not limited to, the following procedures:</b></p> <ul style="list-style-type: none"> <li>Assessed the appropriateness of accounting policy in respect of impairment loss of non-financial assets in accordance with Ind AS;</li> <li>Obtained understanding of management's process of identification of indicators of impairment and impairment provision. Evaluated the design and tested the operating effectiveness of internal controls over impairment assessment process;</li> <li>Assessed the professional competence, and objectivity of the management's valuation specialist;</li> <li>Assessed the appropriateness of valuation method used by the management's valuation specialist to estimate the recoverable value of the PPE and CWIP;</li> </ul> |

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Management judgement is required in assessing impairment indicators and recoverable amount for impairment testing. Management, with the help of an independent valuer, has estimated the recoverable amount of the aforesaid idle PPE and CWIP using 'Depreciated Replacement Cost Valuation Method', under the cost approach, which is a complex exercise and involves the use of significant estimates and assumptions that are dependent on expected future market conditions.</p> <p>Based on the above assessment, the carrying value of the said PPE and CWIP was impaired by ₹ 20 lakhs and ₹ 628 lakhs respectively. The change was recognised in the consolidated profit and loss statement in accordance with Ind AS 36, Impairment of assets, as disclosed in Note 3 and 4.</p> <p>We determined impairment of PPE and CWIP as a key audit matter since these assessments are complex and involve significant management estimation and judgement.</p> | <ul style="list-style-type: none"> <li>Evaluated the reasonableness of the estimates including estimation of expected useful lives of PPE and key assumptions including cost of replacement, salvage value and cost of disposal used by the management's valuation specialist in estimating the recoverable value of PPE and CWIP;</li> <li>Tested the arithmetical accuracy of the management's workings of valuation, sensitivity analysis and impairment losses;</li> <li>Performed sensitivity analysis around aforesaid key assumptions to assess the effect of reasonably possible variations on the estimated recoverable amounts of PPE and CWIP; and</li> <li>Evaluated the adequacy of disclosures in respect of impairment of the said PPE and CWIP in the consolidated financial statements.</li> </ul> |

#### Information Other than the Consolidated Financial Statements and Auditor's report thereon

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group, are responsible for maintenance of adequate accounting records in accordance with the provisions

of the Act for safeguarding of the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements, that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors are either intends to liquidate those companies or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

#### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise

from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has in place adequate internal financial controls with reference to the financial statements and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the branch and other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible

for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company of which we are the independent auditor regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

- (a) We did not audit the financial statements and other financial information of the 6 subsidiaries and a branch, whose financial statements / information, without giving effects to elimination of intra-group transaction reflect total assets of ₹ 123,091 lakhs as at 31 March 2025 and total revenues of ₹ 54,849 lakhs, total net profit after tax of ₹ 4,224 lakhs, total comprehensive income of ₹ 5,340 lakhs and net cash outflow of ₹ 275 lakhs for the year ended on 31 March 2025, as considered in the consolidated financial statements. These financial statements and other financial information have been audited by the other auditors and branch auditor whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and a branch and our report in terms of sub-section (3) of Section 143 of the Act in so far as, it relates to the aforesaid subsidiaries and a branch are based solely on the reports of the other auditors and branch auditor.

Further of the above 3 subsidiaries, located outside India, whose financial statements / information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under Standards on Auditing applicable in their respective countries. The Holding Company's management has converted the financial statements / information of such subsidiaries from accounting principles generally accepted in their respective countries to

accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based on the audit reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditors.

- (b) We did not audit the financial statements of 3 subsidiaries, whose financial statements / information, without giving effects to elimination of intra-group transaction reflect total assets of ₹ 1,110 lakhs as at 31 March 2025, total revenues of ₹ 2,983 lakhs, total net loss after tax of ₹ 43 lakhs, total comprehensive loss of ₹ 57 lakhs and net cash outflow of ₹ 68 lakhs for the year ended on 31 March 2025, as considered in the consolidated financial statements have not been audited. These unaudited financial statements have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based on such unaudited financial statements / information. In our opinion and according to the information and explanations given to us by the management, these financial statements / information are not material to the Group.

Our opinion above on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the financial statements / information certified by the management.

Our opinion on the consolidated financial statements is not modified in respect of the above matter.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on CARO report issued by us for the Holding Company and consideration of the CARO report by the other auditors of the subsidiaries included in the consolidated financial statements and covered under the Act, we give in the "Annexure 1" a statement on the matters specified in Paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries and branch, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and

belief were necessary for the purpose of our audit of aforesaid consolidated financial statements.

- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Change in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - (e) On the basis of written representations received from the directors of the Holding Company and its subsidiary in India as on 31 March 2025 taken on record by the Board of Directors of the Holding Company and Board of Directors of the subsidiary company covered under the Act, none of the directors of the Group companies covered under that Act, are disqualified as on 31 March 2025, from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Holding and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
3. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and a branch:
- (a) The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements - Refer Note 50 to the consolidated financial statements.
  - (b) The Holding Company and its subsidiary did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (c) There were no amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary covered under the Act.
  - (d) (i) The respective management of the Holding Company and its subsidiaries which are

companies incorporated in India, whose financial statements have been audited under the Act, have represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (ii) The respective management of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented, that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company and any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- (e) The final dividend proposed in the previous year, declared, and paid by the Holding Company during the year is in accordance with Section 123 of the Act, to the extent it applies to payment of dividend.

As stated in note 48 (iv) to the consolidated financial statements, the Board of Directors of the Holding

Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- (f) Based on our examination which includes test checks, the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have used an accounting software for maintaining its books of accounts which has feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in software. Further, during the course of our audit of the Holding Company we did not come across any instance of audit trail feature being tempered with and on the consideration of the report of the other auditors, the audit trail feature in respective subsidiaries have not being tempered with. Additionally, the audit trail has been preserved by the Holding Company and its subsidiaries which are companies incorporated in India as per the statutory requirements for record retention.
- 4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, and on the consideration of the report of the other auditors, referred to in the separate financial statement of the subsidiaries, the remuneration paid/provided by the Holding Company and its subsidiaries covered under the Act to their respective directors during the current year is in accordance with the provisions of Section 197 of the Act.

**For Suresh Surana & Associates LLP**  
Chartered Accountants  
Firm's Registration No.: 121750W/W100010

**Vinodkumar Varma**  
Partner  
Membership No.: 105545

**UDIN: 25105545BMNVNP1273**

Place: Mumbai  
Date: 23 May 2025

**Annexure 1 referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date for the year ended 31 March 2025**

**Everest Kanto Cylinder Limited (“the Holding Company”)**

(xxi) In terms of the information and explanations sought by us and given by the Holding Company and books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief and based on the consideration of report of respective auditors of the subsidiaries incorporated in India, we state that, the qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the subsidiaries (incorporated in India) included in the consolidated financial statements are:

| Sr. No. | Name of the company                                        | CIN                   | Holding company/ subsidiary | Clause number of the CARO report which is qualified or adverse |
|---------|------------------------------------------------------------|-----------------------|-----------------------------|----------------------------------------------------------------|
| 1.      | Everest Kanto Cylinder Limited                             | L29200MH1978PLC020434 | Holding Company             | Clause 3(i)(c) and 3(iii)(c) to (e)                            |
| 2.      | Calcutta Compressions and Liquefaction Engineering Limited | U51410WB2004PLC100920 | Subsidiary                  | Clause 3 (xvii)                                                |

## **Annexure ‘A’ to the Independent Auditor’s Report on the consolidated financial statements of Everest Kanto Cylinder Limited for the year ended 31 March 2025**

**(Referred to in paragraph 2(f) under the heading ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)**

### **Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of Everest Kanto Cylinder Limited (“the Holding Company”), and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) as of and the for the year ended 31 March 2025, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries, which are companies incorporated in India as of that date.

### **Management’s and Board of Director’s Responsibility for Internal Financial Controls**

The respective company’s management and the Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design,

implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company’s business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Holding Company’s internal financial controls with reference to consolidated financial statements, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls

with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

### Meaning of Internal Financial Controls with Reference to Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of

collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Holding Company and its subsidiaries, which are companies incorporated in India, have maintained in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

### Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to subsidiaries which are companies incorporated in India, is based on the corresponding report of the other auditors.

Our opinion is not modified in respect of this matter.

For **Suresh Surana & Associates LLP**  
Chartered Accountants  
Firm's Registration No.: 121750W/W100010

**Vinodkumar Varma**  
Partner  
Membership No.: 105545

**UDIN: 25105545BMNVNP1273**

Place: Mumbai  
Date: 23 May 2025



## CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2025

|                                                                                        | Note No. | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|----------------------------------------------------------------------------------------|----------|----------------------------------------|----------------------------------------|
| <b>I ASSETS</b>                                                                        |          |                                        |                                        |
| <b>1 Non-current assets</b>                                                            |          |                                        |                                        |
| Property, plant and equipment                                                          | 3        | 39,063                                 | 38,723                                 |
| Capital work-in-progress                                                               | 4        | 15,982                                 | 8,225                                  |
| Investment property                                                                    | 5        | 2,536                                  | 2,304                                  |
| Intangible assets                                                                      | 6        | 57                                     | 52                                     |
| Intangible assets under development                                                    | 7        | 346                                    | -                                      |
| Financial assets                                                                       |          |                                        |                                        |
| Investments                                                                            | 8        | 366                                    | 332                                    |
| Trade receivables                                                                      | 9        | 114                                    | 276                                    |
| Other financial assets                                                                 | 10       | 1,082                                  | 1,034                                  |
| Non-current tax assets (net)                                                           | 11       | 571                                    | 541                                    |
| Other non-current assets                                                               | 12       | 3,764                                  | 1,751                                  |
| <b>Total non-current assets</b>                                                        |          | <b>63,881</b>                          | <b>53,238</b>                          |
| <b>2 Current assets</b>                                                                |          |                                        |                                        |
| Inventories                                                                            | 13       | 48,094                                 | 48,127                                 |
| Financial assets                                                                       |          |                                        |                                        |
| Investments                                                                            | 14       | 6,003                                  | 4,063                                  |
| Trade receivables                                                                      | 15       | 24,973                                 | 17,291                                 |
| Cash and cash equivalents                                                              | 16       | 6,246                                  | 6,496                                  |
| Bank balances other than cash and cash equivalents                                     | 17       | 1,701                                  | 2,687                                  |
| Loans                                                                                  | 18       | 88                                     | 98                                     |
| Other financial assets                                                                 | 19       | 136                                    | 342                                    |
| Other current assets                                                                   | 20       | 9,413                                  | 7,856                                  |
| <b>Total current assets</b>                                                            |          | <b>96,654</b>                          | <b>86,960</b>                          |
| <b>3 Assets classified as held for sale</b>                                            | 21       | <b>894</b>                             | <b>1,124</b>                           |
| <b>TOTAL ASSETS</b>                                                                    |          | <b>1,61,429</b>                        | <b>1,41,322</b>                        |
| <b>II EQUITY AND LIABILITIES</b>                                                       |          |                                        |                                        |
| <b>1 Equity</b>                                                                        |          |                                        |                                        |
| Equity share capital                                                                   | 22       | 2,244                                  | 2,244                                  |
| Other equity                                                                           | 23       | 1,18,396                               | 1,07,813                               |
| <b>Equity attributable to owners</b>                                                   |          | <b>1,20,640</b>                        | <b>1,10,057</b>                        |
| Non-controlling interests                                                              |          | (1)                                    | (34)                                   |
| <b>Total equity</b>                                                                    |          | <b>1,20,639</b>                        | <b>1,10,023</b>                        |
| <b>2 Liabilities</b>                                                                   |          |                                        |                                        |
| <b>(i) Non-current liabilities</b>                                                     |          |                                        |                                        |
| Financial liabilities                                                                  |          |                                        |                                        |
| Borrowings                                                                             | 24       | 2,682                                  | 152                                    |
| Lease liabilities                                                                      | 25       | 2,487                                  | 2,053                                  |
| Other financial liabilities                                                            | 26       | 35                                     | 288                                    |
| Deferred tax liabilities (Net)                                                         | 27       | 671                                    | 848                                    |
| Provisions                                                                             | 28       | 898                                    | 1,575                                  |
| <b>Total non-current liabilities</b>                                                   |          | <b>6,773</b>                           | <b>4,916</b>                           |
| <b>(ii) Current liabilities</b>                                                        |          |                                        |                                        |
| Financial liabilities                                                                  |          |                                        |                                        |
| Borrowings                                                                             | 29       | 11,640                                 | 3,976                                  |
| Lease liabilities                                                                      | 30       | 221                                    | 363                                    |
| Trade payables                                                                         | 31       |                                        |                                        |
| Total outstanding dues of micro enterprises and small enterprises                      |          | 641                                    | 412                                    |
| Total outstanding dues of creditors other than micro enterprises and small enterprises |          | 6,642                                  | 6,162                                  |
| Other financial liabilities                                                            | 32       | 1,851                                  | 1,350                                  |
| Other current liabilities                                                              | 33       | 12,435                                 | 13,884                                 |
| Provisions                                                                             | 34       | 225                                    | 161                                    |
| Current tax liabilities (net)                                                          | 11A      | 362                                    | 75                                     |
| <b>Total current liabilities</b>                                                       |          | <b>34,017</b>                          | <b>26,383</b>                          |
| <b>TOTAL EQUITY AND LIABILITIES</b>                                                    |          | <b>1,61,429</b>                        | <b>1,41,322</b>                        |

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date attached

**For Suresh Surana & Associates LLP**

Chartered Accountants

Firm's Registration No: 121750W/W100010

**Vinodkumar Varma**

Partner

Membership No. 105545

**For and on behalf of the Board of Directors**

**Pushkar Khurana**

Chairman and Executive Director

DIN: 00040489

Place : Dubai

Date : 23 May 2025

**Sanjiv Kapur**

Chief Financial Officer

Place : Mumbai

Date : 23 May 2025

**Puneet Khurana**

Managing Director

DIN: 00004074

Place : Mumbai

Date : 23 May 2025

**Vishal Totla**

Company Secretary

Membership No: A26757

Place : Mumbai

Date : 23 May 2025

Place : Mumbai  
Date : 23 May 2025

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2025

|                                                                               | Note No. | Year Ended<br>31 March 2025<br>(₹ in lakhs) | Year Ended<br>31 March 2024<br>(₹ in lakhs) |
|-------------------------------------------------------------------------------|----------|---------------------------------------------|---------------------------------------------|
| Revenue from operations                                                       | 35       | 1,49,921                                    | 1,22,296                                    |
| Other income                                                                  | 36       | 985                                         | 671                                         |
| <b>Total Income</b>                                                           |          | <b>1,50,906</b>                             | <b>1,22,967</b>                             |
| <b>Expenses:</b>                                                              |          |                                             |                                             |
| Cost of materials consumed                                                    | 37       | 79,157                                      | 62,528                                      |
| Purchases of stock-in-trade                                                   | 38       | 769                                         | 891                                         |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | 39       | 1,916                                       | 1,426                                       |
| Employee benefits expense                                                     | 40       | 14,870                                      | 12,865                                      |
| Finance costs                                                                 | 41       | 1,348                                       | 763                                         |
| Depreciation and amortisation                                                 | 3,5 & 6  | 4,149                                       | 3,922                                       |
| Other expenses                                                                | 42       | 35,656                                      | 28,538                                      |
| <b>Total Expenses</b>                                                         |          | <b>1,37,865</b>                             | <b>1,10,933</b>                             |
| <b>Profit before exceptional items and tax</b>                                |          | <b>13,041</b>                               | <b>12,034</b>                               |
| Exceptional items (loss) (net)                                                | 43       | (648)                                       | (217)                                       |
| <b>Profit before tax</b>                                                      |          | <b>12,393</b>                               | <b>11,817</b>                               |
| <b>Tax expense / (credit)</b>                                                 | 44       |                                             |                                             |
| Current tax                                                                   |          | 2,788                                       | 1,900                                       |
| Deferred tax                                                                  |          | (167)                                       | 157                                         |
| <b>Profit after tax</b>                                                       |          | <b>9,772</b>                                | <b>9,760</b>                                |
| <b>Other comprehensive income</b>                                             | 45       |                                             |                                             |
| (a) Items that will not be reclassified to profit or loss (net of tax)        |          | 115                                         | 559                                         |
| (b) Items that will be reclassified to profit or loss (net of tax)            |          | 1,410                                       | 470                                         |
| <b>Total other comprehensive income (net of tax)</b>                          |          | <b>1,525</b>                                | <b>1,029</b>                                |
| <b>Total comprehensive income for the year</b>                                |          | <b>11,297</b>                               | <b>10,789</b>                               |
| <b>Net profit / (loss) for the year attributable to:</b>                      |          |                                             |                                             |
| Equity shareholders of the Holding Company                                    |          | 9,793                                       | 9,923                                       |
| Non-controlling interests                                                     |          | (21)                                        | (163)                                       |
| <b>Total comprehensive income / (loss) for the year attributable to:</b>      |          |                                             |                                             |
| Equity shareholders of the Holding Company                                    |          | 11,318                                      | 10,952                                      |
| Non-controlling interests                                                     |          | (21)                                        | (163)                                       |
| <b>Earnings per share:</b>                                                    | 55       |                                             |                                             |
| Basic & Diluted (in ₹)                                                        |          | 8.73                                        | 8.84                                        |
| Face value per share (in ₹)                                                   |          | 2.00                                        | 2.00                                        |

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date attached

**For Suresh Surana & Associates LLP**

Chartered Accountants

Firm's Registration No: 121750W/W100010

**Vinodkumar Varma**

Partner

Membership No. 105545

Place : Mumbai  
Date : 23 May 2025

**For and on behalf of the Board of Directors**

**Pushkar Khurana**

Chairman and Executive Director

DIN: 00040489

Place : Dubai

Date : 23 May 2025

**Sanjiv Kapur**

Chief Financial Officer

Place : Mumbai

Date : 23 May 2025

**Puneet Khurana**

Managing Director

DIN: 00004074

Place : Mumbai

Date : 23 May 2025

**Vishal Totla**

Company Secretary

Membership No: A26757

Place : Mumbai

Date : 23 May 2025

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025**

|                                                                                                    | Year Ended<br>31 March 2025<br>(₹ in lakhs) | Year Ended<br>31 March 2024<br>(₹ in lakhs) |
|----------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| <b>A. Cash flow from operating activities</b>                                                      |                                             |                                             |
| Profit before tax from :                                                                           | 12,393                                      | 11,817                                      |
| <b>Adjustments for :</b>                                                                           |                                             |                                             |
| Bad debts written off                                                                              | 157                                         | 782                                         |
| Provisions for doubtful debts / loans / advances (net)                                             | 216                                         | 191                                         |
| Excess provision written back of inventories (net)                                                 | (34)                                        | (61)                                        |
| Unrealised foreign exchange variation (gain) / loss                                                | 1                                           | (69)                                        |
| Depreciation and amortisation                                                                      | 4,166                                       | 3,922                                       |
| Impairment on property, plant and equipment and capital work-in-progress                           | 648                                         | 217                                         |
| Provision for return                                                                               | 22                                          | 27                                          |
| (Profit) / loss on sale of property, plant and equipment (net)                                     | 1                                           | (8)                                         |
| Gain on fair valuation of current investment (FVTPL)                                               | (428)                                       | (58)                                        |
| Realised (gain)/loss on redemption of current investments                                          | (13)                                        | (5)                                         |
| Lease rent income                                                                                  | (163)                                       | (133)                                       |
| Interest income                                                                                    | (318)                                       | (176)                                       |
| Finance costs                                                                                      | 1,348                                       | 763                                         |
| <b>Operating profit before working capital changes</b>                                             | <b>17,996</b>                               | <b>17,209</b>                               |
| <b>Adjustment for :</b>                                                                            |                                             |                                             |
| (Increase) / decrease in trade and other receivables                                               | (8,782)                                     | 369                                         |
| (Increase)/ decrease in inventories                                                                | 780                                         | 7,849                                       |
| (Decrease) in trade payables and other payables                                                    | (1,659)                                     | (238)                                       |
| <b>Operating profit after working capital changes</b>                                              | <b>8,335</b>                                | <b>25,189</b>                               |
| Direct taxes paid (net of refunds)                                                                 | (2,534)                                     | (2,549)                                     |
| <b>Net cash generated from operating activities (A)</b>                                            | <b>5,801</b>                                | <b>22,640</b>                               |
| <b>B. Cash flow from investing activities</b>                                                      |                                             |                                             |
| <b>Inflow:</b>                                                                                     |                                             |                                             |
| Lease rent received                                                                                | 163                                         | 133                                         |
| Interest received                                                                                  | 293                                         | 166                                         |
| Fixed deposits matured                                                                             | 1,129                                       | -                                           |
| Proceeds from sale of investment                                                                   | 550                                         | 400                                         |
| Proceeds from sale of property, plant and equipment                                                | 69                                          | 14                                          |
|                                                                                                    | <b>2,204</b>                                | <b>713</b>                                  |
| <b>Outflow:</b>                                                                                    |                                             |                                             |
| Purchase of property, plant and equipment / intangible assets (including capital work-in-progress) | 12,129                                      | 6,591                                       |
| Fixed deposits placed                                                                              | 9                                           | 1,835                                       |
| Purchase of investment                                                                             | 2,050                                       | 4,400                                       |
|                                                                                                    | <b>14,188</b>                               | <b>12,826</b>                               |
| <b>Net cash used in investing activities (B)</b>                                                   | <b>(11,984)</b>                             | <b>(12,113)</b>                             |

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

|                                                                                 | Year Ended<br>31 March 2025<br>(₹ in lakhs) | Year Ended<br>31 March 2024<br>(₹ in lakhs) |
|---------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| <b>C. Cash flow from financing activities</b>                                   |                                             |                                             |
| <b>Inflow:</b>                                                                  |                                             |                                             |
| Proceeds from non-current borrowings                                            | 2,750                                       | 4                                           |
| Proceeds from Issue of equity shares to non-controlling interests               | -                                           | 55                                          |
|                                                                                 | <u>2,750</u>                                | <u>59</u>                                   |
| <b>Outflow:</b>                                                                 |                                             |                                             |
| Repayment of non-current borrowings                                             | (52)                                        | 31                                          |
| Repayment of current borrowings                                                 | (7,329)                                     | 5,454                                       |
| Finance costs paid                                                              | 1,145                                       | 743                                         |
| Dividend Paid                                                                   | 783                                         | 785                                         |
| Payments for lease liabilities                                                  | 533                                         | 410                                         |
|                                                                                 | <u>(4,920)</u>                              | <u>7,423</u>                                |
| <b>Net cash generated from / (used in) financing activities (C)</b>             | <u>7,670</u>                                | <u>(7,364)</u>                              |
| <b>D. Effect of changes in exchange rates for cash and cash equivalents (D)</b> | <u>(1,737)</u>                              | <u>(137)</u>                                |
| <b>Net increase/(decrease) in cash and cash equivalents (A+B+C+D)</b>           | <u>(250)</u>                                | <u>3,026</u>                                |
| Add: Cash and cash equivalents at the beginning of the year                     | 6,496                                       | 3,470                                       |
| <b>Cash and cash equivalents at the end of the year [Refer note 16]</b>         | <u>6,246</u>                                | <u>6,496</u>                                |
| <b>Cash and cash equivalents as per above comprises of the following:</b>       |                                             |                                             |
| Cash on hand                                                                    | 173                                         | 41                                          |
| Balances with banks - Current Accounts                                          | 5,773                                       | 6,455                                       |
| Deposits with maturity of less than three months                                | 300                                         | -                                           |
| <b>Cash and cash equivalents at the end of the year</b>                         | <u>6,246</u>                                | <u>6,496</u>                                |

**Notes:**

- (i) Figures in brackets represent cash outflow.
- (ii) The above Consolidated Statement of Cash Flows has been prepared under indirect method as set out in Ind AS 7, Statement of Cash Flows.

As per our report of even date attached

**For Suresh Surana & Associates LLP**  
Chartered Accountants  
Firm's Registration No: 121750W/W100010  
**Vinodkumar Varma**  
Partner  
Membership No. 105545

Place : Mumbai  
Date : 23 May 2025

**For and on behalf of the Board of Directors**

**Pushkar Khurana**  
Chairman and Executive Director  
DIN: 00040489  
Place : Dubai  
Date : 23 May 2025  
**Sanjiv Kapur**  
Chief Financial Officer

Place : Mumbai  
Date : 23 May 2025

**Puneet Khurana**  
Managing Director  
DIN: 00004074  
Place : Mumbai  
Date : 23 May 2025  
**Vishal Totla**  
Company Secretary  
Membership No: A26757  
Place : Mumbai  
Date : 23 May 2025



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

## Equity share capital

(₹ in lakhs)

|                                 | Note No. | Number of shares | Amount |
|---------------------------------|----------|------------------|--------|
| <b>As at 1 April 2023</b>       | 22       | 11,22,07,682     | 2,244  |
| Changes in equity share capital |          | -                | -      |
| <b>As at 31 March 2024</b>      |          | 11,22,07,682     | 2,244  |
| Changes in equity share capital |          | -                | -      |
| <b>As at 31 March 2025</b>      |          | 11,22,07,682     | 2,244  |

## Other equity

(₹ in lakhs)

|                                                  | Reserves and surplus |                 |                   | Other reserves                       |                                                                     | Non-controlling interests | Total    |
|--------------------------------------------------|----------------------|-----------------|-------------------|--------------------------------------|---------------------------------------------------------------------|---------------------------|----------|
|                                                  | Securities premium   | General reserve | Retained earnings | Foreign currency translation reserve | Equity instruments at fair value through other comprehensive income |                           |          |
| <b>Opening balance as at 1 April 2023</b>        | 24,789               | 7,491           | 58,119            | 6,984                                | 280                                                                 | 42                        | 97,705   |
| <b>Transactions during the year</b>              |                      |                 |                   |                                      |                                                                     |                           |          |
| Net profit / (loss) for the year                 | -                    | -               | 9,923             | -                                    | -                                                                   | (163)                     | 9,760    |
| Dividend for the Year 2022-23                    | -                    | -               | (785)             | -                                    | -                                                                   | -                         | (785)    |
| Other comprehensive income / (loss) for the year | -                    | -               | 565               | 470                                  | (7)                                                                 | -                         | 1,028    |
| Changes in non-controlling interests             | -                    | -               | (16)              | -                                    | -                                                                   | 87                        | 71       |
| <b>Closing balance as at 31 March 2024</b>       | 24,789               | 7,491           | 67,806            | 7,454                                | 273                                                                 | (34)                      | 1,07,779 |
| <b>Transactions during the year</b>              |                      |                 |                   |                                      |                                                                     |                           |          |
| Net profit / (loss) for the year                 | -                    | -               | 9,793             | -                                    | -                                                                   | (21)                      | 9,772    |
| Dividend for the Year 2023-24                    | -                    | -               | (785)             | -                                    | -                                                                   | -                         | (785)    |
| Other comprehensive income / (loss) for the year | -                    | -               | 90                | 1,410                                | 25                                                                  | -                         | 1,525    |
| Changes in non-controlling interests             | -                    | -               | 50                | -                                    | -                                                                   | 54                        | 104      |
| <b>Closing balance as at 31 March 2025</b>       | 24,789               | 7,491           | 76,954            | 8,864                                | 298                                                                 | (1)                       | 1,18,395 |

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date attached

**For Suresh Surana & Associates LLP**

Chartered Accountants

Firm's Registration No: 121750W/W100010

**Vinodkumar Varma**

Partner

Membership No. 105545

Place : Mumbai

Date : 23 May 2025

**For and on behalf of the Board of Directors**

**Pushkar Khurana**

Chairman and Executive Director

DIN: 00040489

Place : Dubai

Date : 23 May 2025

**Sanjiv Kapur**

Chief Financial Officer

Place : Mumbai

Date : 23 May 2025

**Puneet Khurana**

Managing Director

DIN: 00004074

Place : Mumbai

Date : 23 May 2025

**Vishal Totla**

Company Secretary

Membership No: A26757

Place : Mumbai

Date : 23 May 2025

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### NOTE 1:

#### Group information

Everest Kanto Cylinder Limited (the 'Company' or the 'Holding Company') and its subsidiaries (collectively referred to as the 'Group') are engaged in the manufacture of high-pressure seamless gas cylinders and other cylinders, equipments, appliances and tanks with their parts and accessories, used for containing and storage of natural gas and other gases, liquids and air. Further, the Group is also engaged in dealing of liquified petroleum gases, etc. and trading of fire extinguishment and related equipment. The registered and corporate office of the Holding Company is situated at 204, Raheja Centre, Free Press Journal Marg, 214, Nariman Point, Mumbai - 400021, Maharashtra, India. The Company is a public limited company and is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

### NOTE 2:

#### Material accounting policies and other explanatory information

##### (A) Basis of preparation

###### (i) Compliance with Ind AS

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Companies Act, 2013.

The accounting policies are applied consistently to all the periods presented in the financial statements. The financial statements of the Group have been consolidated using uniform accounting policies.

###### (ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost convention and accrual basis, except for the following assets and liabilities:

1. Certain financial assets and liabilities that are measured at fair value;
2. Assets held for sale – measured at lower of carrying amount or fair value less cost to sell;
3. Defined benefit plans - plan assets measured at fair value.

###### (iii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the entity's normal operating cycle (i.e. 12 months) and other criteria set out in Schedule III to the Act.

###### (iv) Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest lakh as per the requirement of Schedule III, unless otherwise stated.

##### (B) Principles of consolidation

Subsidiaries are all entities over which the Holding Company has control. The Holding Company controls an entity when the Holding Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Holding Company. They are deconsolidated from the date control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line by adding together like items of assets, liabilities, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Holding Company.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

##### (C) Use of estimates and judgements

The estimates and judgements used in the preparation of the consolidated financial statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

materialized. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

### (D) Material accounting policies:

#### 1. Property, plant and equipment

Property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, the cost of replacing a part of plant and equipment and borrowing costs if capitalisation criteria are met and any attributable cost of bringing the asset to its working condition and location for the intended use. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Spare parts are capitalized when they meet the definition of property, plant and equipment i.e., when the Group intends to use them for more than a period of 12 months.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the consolidated statement of profit and loss during the year in which they are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the consolidated statement of profit and loss when the asset is derecognised.

The freehold land is carried at historical cost. Property, plant and equipment, which are not ready for their intended use as on balance sheet date are disclosed as 'Capital-work-in progress'. Capital-work-in progress is stated at cost less accumulated impairment loss, if any. Such items are classified to the appropriate category of property, plant and equipment, when completed and ready for their intended use.

#### Depreciation:

- (i) Depreciation on the property, plant and equipment of the Holding Company, Calcutta Compressions and Liquefaction Engineering Limited and EKC International FZE, subsidiaries of the Holding

Company have been provided on the straight line method as per the useful life prescribed in Schedule II to the Act, with residual value of 5%, except in respect of the following categories of the assets, in whose case the useful life of the assets has been assessed based on the technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturer's warranties and maintenance support, etc.

Plant and equipment: 8 to 30 years

Gas cylinders: 25 years

Significant components of each of the individual assets are depreciated separately over their respective useful lives; the remaining components are depreciated over the life of the principal asset.

- (ii) Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the date of such addition or upto the date of such sale/disposal as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

#### 2. Intangible Assets

Intangible assets are stated at cost net of accumulated amortisation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the intangible assets.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured.

Computer software are capitalised at the amounts paid to acquire the respective license for use and are amortised over the estimated useful economic life. The assets' useful lives are reviewed at each financial year end.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised on straight line basis over the estimated useful economic life. The amortisation expense on intangible assets with finite life is recognised in the consolidated statement of profit and loss under the head 'Depreciation and amortization expense'.

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

amount of the asset and are recognised in the consolidated statement of profit and loss when the asset is derecognized.

### 3. Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment, if any.

Depreciation on building is provided over its useful life using the straight-line method, in a manner similar to PPE.

Useful life considered for calculation of depreciation for assets class is as follows:

|                       |          |
|-----------------------|----------|
| Non- Factory Building | 60 years |
|-----------------------|----------|

The freehold land is carried at historical cost. Investment property is derecognized on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

### 4. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

#### Group as a lessee

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use assets is measured at cost, which is made up of the initial measurement of the lease liabilities, any initial direct costs incurred by the Group and any lease payments made in advance of the lease commencement date.

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term. The Group also assesses the right-of-use assets for impairment when such indicators exist.

At the commencement date of lease, the Group measures the lease liabilities at the present value of the lease payments to be made over the lease term,

discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate to measure lease liabilities.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance, fixed), and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest expenses. It is remeasured to reflect any reassessment or modification.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or consolidated statement of profit and loss, as the case may be.

The Group has elected to account for short-term leases and leases of low-value assets using the exemption given under Ind AS 116, Leases. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in consolidated statement of profit and loss on a straight-line basis over the lease term or on another systematic basis if that basis is more representative of the pattern of the Group's benefit.

#### Group as a lessor

Leases for which the Group is a lessor, classified as finance or operating lease.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the excepted inflationary cost increases. The respective leased assets are included in the consolidated balance sheet based on their nature.

### 5. Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated balance sheet.

### 6. Inventories

(a) The inventories resulting from intra-group transactions are stated at cost after deducting unrealised profit on such transactions;

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

- (b) Raw Materials and components, work-in-progress, finished goods and stock-in-trade are valued at lower of cost and net realisable value;
- (c) Goods in transit are stated 'at cost';
- (d) Other inventories are stated 'at cost or net realisable value', whichever is lower;
- (e) 'Cost' includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating output. Cost formulae used is 'First in First Out' as applicable.
- (f) Stores and spares are inventories that do not qualify to be recognised as property, plant and equipment and consists of packing materials, engineering spares (such as machinery spare parts) which are used in operating machines or consumed as indirect materials in the manufacturing process. Stores and spares, excluding certain gases, are charged to consolidated statement of profit and loss during the year in which they are purchased.

The factors that the Group considers in determining the provision for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes and ageing of inventory, to the extent each of these factors impact the Group's business and markets. The Group considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

### 7. Investments and financial assets

#### Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments, it will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held.

#### Measurement

At initial recognition, the Group measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in consolidated statement of profit and loss.

#### Measurement of Debt instruments:

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments into following categories:

(a) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interests are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

(b) Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through Profit and Loss. Interest income from these financial assets is included in other income.

#### Measurement of equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

Changes in the fair value of financial assets at FVTPL are recognised in other gain / (losses) in the consolidated statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at fair value through other comprehensive income (FVOCI) are not reported separately from other changes in fair value.

#### Impairment of financial assets

The Group measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

#### De-recognition of financial assets

A financial asset is derecognised only when

- the Group has transferred the rights to receive cash flows from the financial asset or

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### 8. Impairment of non-financial assets

The carrying amount of the non-financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal /external factors. An impairment loss is recognised whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its fair value less costs of disposal and its value in use. Impairment loss is recognised in the consolidated statement of profit and loss.

After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there was no impairment.

#### 9. Asset classified as held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell.

An impairment loss is recognised during initial recognition or subsequent written down of the assets to the fair value less cost to sell of an asset. A gain is recognised for any subsequent increase in the fair value less cost to sell of an asset but not in excess of cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Assets held for sale are presented separately from the other assets in the consolidated balance sheet.

The Group measures a non-current asset that ceases to be classified as held for sale (or ceases to be included in a disposal group classified as held for sale) at the lower of its carrying amount before the asset (or disposal group) was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset (or disposal group) not been classified as held for sale, and its recoverable amount at the date of the subsequent decision not to sell.

#### 10. Segment Reporting

Segment information is reported in a manner consistent with the internal reporting provided to the chief financial officer and the Chairman and Managing Director of the Holding Company, who constitute the chief operating decision maker ('CODM').

#### 11. Borrowings and other financial liabilities

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference. Subsequently, all financial liabilities are measured at amortised cost using the effective interest rate method.

Borrowings are derecognised from the consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in consolidated statement of profit and loss. The gain / (loss) is recognised in other equity in case of transaction with shareholders.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

#### 12. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### 13. Provisions, contingent liabilities and contingent assets

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the amount required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects the current market assessments of time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense. The provisions are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

Contingent assets are not recognised in the consolidated financial statements. However, it is recognised when an inflow of economic benefits is probable.

### 14. Revenue recognition

Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products or services to customers, at an amount that reflects the consideration expected to be received by the Group in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and returns, etc., if any.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- (i) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
- (ii) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- (iii) The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional. Generally, the credit period upto 30-60 days from the shipment or delivery of goods as the case may be. Consideration are determined based on its most likely amount.

The Group recognises provision for sales return, based on the historical results. The Company accounts for sales returns accrual by recording an allowance for sales returns concurrent with the recognition of revenue at the time of sale of product. The estimate of sales returns is determined primarily by the Group's historical experience in the markets in which the Group operates.

Revenue from shipping and handling services are recognised over the period of time on the basis of satisfaction of performance obligation.

In case of revenue from long term contracts, contract revenue is matched with the contract costs incurred in reaching the stage of completion, which is an output method of revenue recognition, resulting in the reporting of revenue, expenses and profit which can be attributed to the proportion of work completed. However, where the total project cost is estimated to exceed total revenues from the project, the loss is recognised immediately in the consolidated statement of profit and loss. Revenue in excess of invoicing are classified as contract asset while invoicing in excess of revenues are classified as contract liabilities.

Export benefits are recognised in the year of export when right to receive the benefit is established and conditions attached to the benefits are satisfied.

#### Trade Receivable:

Trade receivables are amounts due from customers for goods sold in the ordinary course of business and reflects company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

**15. Other Income**

Interest income for all debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend is recognised in consolidated statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

**16. Employee Benefits**

(a) **Short-term obligations:** Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

**(b) Post-employment obligations:**

(i) **Defined contribution plans:** Group's contribution to the superannuation scheme, state governed provident fund scheme, etc. are recognised during the year in which the related service is rendered.

(ii) **Gratuity:** Certain entities within the Group have an obligation towards gratuity, a defined benefit plan covering eligible employees. These entities account for their liability towards future payments of gratuity to employees, on actuarial valuation basis, using Projected Unit Credit Method and the charge for current year is debited to the consolidated statement of profit and loss. Actuarial gains and losses arising on the measurement / remeasurement of defined benefit obligation is charged / credited to other comprehensive income. The fair value of the plan assets is reduced from the gross obligation under the defined benefit plan to recognise the obligation on net basis.

(iii) **Compensated absences:** Accumulated compensated absences, which are expected to be availed or encashed within 12 months

from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long-term employee benefits. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the consolidated statement of profit and loss in the year in which they arise. Employees generally have an unconditional right to avail the accumulated leaves, however there are certain circumstances which also gives a right to the Company to defer the employee's leave (for example: Company's right to postpone/deny the leave, restriction to avail leave in the next year for a maximum number of days etc.). Thus, for the bifurcation of provision between current and non-current, actuarial services are availed.

**Retirement Plans (CP Industries Holdings Inc.):**

This subsidiary has a non-contributory defined benefit pension plan covering all union employees hired prior to 1 June 2006. The benefits are based on years of services and the applicable compensation levels under the plan. Its funding policy is to fund pension cost as determined by actuarial valuation. Contributions are intended to provide not only for benefits attributable to service to date but also for those expected to be earned in the future.

It also has two 401(k) savings plans which cover substantially all union and non-union employees. For both plans, the subsidiary matches a percentage of the employees' contributions up to the maximum level.

(c) **Termination Benefits:** These are recognised as an expense in the consolidated statement of profit and loss of the year in which they are incurred.

**17. Foreign currency transactions and translations**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the respective entity operates (their 'functional currency'). The consolidated financial statements are presented in Indian Rupee (INR), which is Holding Company's functional and presentation currency.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Transactions in foreign currency are recorded at exchange rate prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gain or loss arising on their settlement and restatement are recognised in the consolidated statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not re-translated.

For the purpose of consolidation, the amounts appearing in foreign currencies in the financial statements of the foreign subsidiaries are translated at the following rates of exchange:

- (i) assets and liabilities are translated at the closing rate at the date of the balance sheet; and
- (ii) income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rates prevailing on the dates of the transactions).

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income.

### 18. Income tax

Tax expense comprise of current income tax and deferred income tax and include any adjustment related to past periods. Current and deferred tax is recognised in the consolidated statement of profit and loss, except to the extent it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The income tax expense for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted for changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Holding Company and its subsidiaries, associates

and joint ventures operate and generate taxable income. Group periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is accounted in full, using the Balance Sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Minimum Alternate Tax (MAT) credit is recognised as deferred tax asset only when and to the extent it is reasonably certain that the Group will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal income tax during the specified period.

There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. The uncertain tax positions are measured at the amount expected to be paid to taxation authorities when the Company determines that the probable outflow of economic resources will occur. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

### 19. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated balance sheet

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

**20. Exceptional items**

When items of income and expense within consolidated statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

**(E) Critical estimates and judgements**

The preparation of consolidated financial statements in conformity with Ind AS requires estimates and assumptions to be made by the management of the Group that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

The Group's Management believes that these estimates are prudent and reasonable and are based upon the Group's Management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the year in which the results are known or materialised.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

**(i) Estimated useful life of property, plant and equipment, intangible assets, and investment property:**

The Group reviews the useful lives of property, plant and equipment, investment properties and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortization expense in future periods.

**(ii) Impairment of carrying value of property, plant and equipment, capital work-in-progress, intangible assets and investment property:**

The recoverable amount of property plant and equipment, capital work-in-progress is based on estimates and assumptions regarding the expected Depreciated Replacement Cost (DRC) method under Cost Approach. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

**(iii) Fair value less cost to sell for assets classified as held for sale:**

The fair valuation of the investment property is determined using 'Sales Comparison Method' under Market Approach using composite rate of commercial offices by comparing the investment property with similar properties that have recently been sold near the location of investment property. Comparable properties are selected for similarity to the subject property by considering attributes like age, size, shape, quality of construction, building features, condition, design, etc.

**(iv) Estimation of current tax expenses and recognition of deferred tax assets:**

The Group calculates income tax expense based on reported income and estimated exemptions / deduction likely available to the respective entities in the Group. Recognition of deferred tax assets depends upon the availability of future profits against which tax losses carried forward can be used.

**(v) Probable outcome of matters included under contingent liabilities:**

Group's Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/ litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

**(vi) Provision for doubtful debts:**

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss (ECL) model. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience. Individual trade receivables are written off if the same are not collectible.

**(vii) Estimation of Defined benefit obligation:**

The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates. Due to the long term nature of these plans, such estimates are subject to significant uncertainty.

**(viii) Leases – Estimating the incremental borrowing rate:**

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the fund necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### (F) Recent Accounting Pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable w.e.f. 01 April 2024. The Group has assessed and based on its evaluation has determined that there is no assessed significant impact on its financial statements.

On 9 May 2025, MCA notified the amendment to Ind AS 21 – Effect of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after 1 April 2025. The Group is currently assessing the probable impact of these amendments on its financial statements.

### 3 Property, plant and equipment (PPE)

|                                                                        |               |                                   |                                                        |                        |                                   |                   |              |               |                              |                          | Right of Use Assets                    |              | (₹ in lakhs)    |
|------------------------------------------------------------------------|---------------|-----------------------------------|--------------------------------------------------------|------------------------|-----------------------------------|-------------------|--------------|---------------|------------------------------|--------------------------|----------------------------------------|--------------|-----------------|
|                                                                        | Freehold land | Buildings [Refer note (ii) below] | Plant and equipments [Refer note (iii) and (iv) below] | Furniture and fixtures | Vehicles [Refer note (vii) below] | Office equipments | Com-puters   | Gas Cylinders | Gas cylinders given on lease | Electrical Installations | Lease-hold land [Refer note (i) below] | Build-ings   | Total           |
| <b>Gross carrying amount</b>                                           |               |                                   |                                                        |                        |                                   |                   |              |               |                              |                          |                                        |              |                 |
| <b>Balance as at 1 April 2023</b>                                      | <b>3,239</b>  | <b>19,330</b>                     | <b>67,742</b>                                          | <b>1,100</b>           | <b>1,407</b>                      | <b>320</b>        | <b>1,380</b> | <b>27</b>     | <b>588</b>                   | <b>1,425</b>             | <b>269</b>                             | <b>3,520</b> | <b>1,00,347</b> |
| Additions                                                              | 18            | 229                               | 5,161                                                  | 113                    | 76                                | 25                | 35           | -             | -                            | 85                       | -                                      | 472          | 6,214           |
| Disposals                                                              | -             | -                                 | 46                                                     | -                      | 50                                | -                 | -            | -             | -                            | -                        | -                                      | -            | 96              |
| Assets classified as held for sale [Refer note (iv) below]             | -             | -                                 | 189                                                    | -                      | 16                                | 11                | 16           | -             | -                            | -                        | -                                      | -            | 232             |
| Foreign currency translation adjustments                               | (519)         | 182                               | 481                                                    | 11                     | 12                                | 2                 | 8            | -             | 8                            | 10                       | -                                      | (14)         | 181             |
| <b>Balance as at 31 March 2024</b>                                     | <b>2,738</b>  | <b>19,741</b>                     | <b>73,149</b>                                          | <b>1,224</b>           | <b>1,429</b>                      | <b>336</b>        | <b>1,407</b> | <b>27</b>     | <b>596</b>                   | <b>1,520</b>             | <b>269</b>                             | <b>3,978</b> | <b>1,06,414</b> |
| Additions                                                              | 80            | -                                 | 3,504                                                  | 160                    | 372                               | 69                | 32           | -             | -                            | 5                        | -                                      | 624          | 4,846           |
| Disposals                                                              | -             | -                                 | 205                                                    | -                      | 171                               | -                 | -            | -             | -                            | 1                        | -                                      | -            | 377             |
| Assets classified as held for sale [Refer note (iv) below]             | -             | -                                 | 796                                                    | -                      | -                                 | -                 | -            | -             | -                            | -                        | -                                      | -            | 796             |
| Foreign currency translation adjustments                               | (18)          | (267)                             | 949                                                    | 21                     | 24                                | 3                 | 14           | -             | 16                           | 19                       | -                                      | 46           | 807             |
| <b>Balance as at 31 March 2025</b>                                     | <b>2,800</b>  | <b>19,474</b>                     | <b>76,601</b>                                          | <b>1,405</b>           | <b>1,654</b>                      | <b>408</b>        | <b>1,453</b> | <b>27</b>     | <b>612</b>                   | <b>1,543</b>             | <b>269</b>                             | <b>4,648</b> | <b>1,10,894</b> |
| <b>Accumulated depreciation / amortisation</b>                         |               |                                   |                                                        |                        |                                   |                   |              |               |                              |                          |                                        |              |                 |
| <b>Balance as at 1 April 2023</b>                                      | <b>-</b>      | <b>8,493</b>                      | <b>49,535</b>                                          | <b>638</b>             | <b>638</b>                        | <b>247</b>        | <b>1,210</b> | <b>17</b>     | <b>139</b>                   | <b>1,047</b>             | <b>165</b>                             | <b>1,387</b> | <b>63,516</b>   |
| Depreciation / amortisation charge for the year                        | -             | 573                               | 2,500                                                  | 75                     | 163                               | 24                | 45           | 1             | 35                           | 29                       | 1                                      | 422          | 3,868           |
| Disposals                                                              | -             | -                                 | 44                                                     | -                      | 46                                | -                 | -            | -             | -                            | -                        | -                                      | -            | 90              |
| Impairment                                                             | -             | -                                 | 75                                                     | -                      | -                                 | -                 | -            | -             | -                            | -                        | -                                      | -            | 75              |
| Assets classified as held for sale [Refer note (iv) below and note 21] | -             | -                                 | 164                                                    | -                      | 14                                | 10                | 15           | -             | -                            | -                        | -                                      | -            | 203             |
| Foreign currency translation adjustments                               | -             | 86                                | 409                                                    | 7                      | 6                                 | 2                 | 6            | -             | 2                            | 7                        | -                                      | -*           | 525             |
| <b>Balance as at 31 March 2024</b>                                     | <b>-</b>      | <b>9,152</b>                      | <b>52,311</b>                                          | <b>720</b>             | <b>747</b>                        | <b>263</b>        | <b>1,246</b> | <b>18</b>     | <b>176</b>                   | <b>1,083</b>             | <b>166</b>                             | <b>1,809</b> | <b>67,691</b>   |
| Depreciation / amortisation charge for the year                        | -             | 595                               | 2,704                                                  | 96                     | 160                               | 26                | 46           | 1             | 36                           | 28                       | 1                                      | 391          | 4,084           |
| Disposals                                                              | -             | -                                 | 194                                                    | -                      | 112                               | -                 | -            | -             | -                            | -*                       | -                                      | -            | 306             |
| Impairment                                                             | -             | -                                 | 20                                                     | -                      | -                                 | -                 | -            | -             | -                            | -                        | -                                      | -            | 20              |
| Assets classified as held for sale [Refer note (iv) below and note 21] | -             | -                                 | 752                                                    | -                      | -                                 | -                 | -            | -             | -                            | -                        | -                                      | -            | 752             |
| Foreign currency translation adjustments                               | -             | 170                               | 804                                                    | 13                     | 14                                | 2                 | 12           | -             | 5                            | 13                       | -                                      | 61           | 1,094           |
| <b>Balance as at 31 March 2025</b>                                     | <b>-</b>      | <b>9,917</b>                      | <b>54,893</b>                                          | <b>829</b>             | <b>809</b>                        | <b>291</b>        | <b>1,304</b> | <b>19</b>     | <b>217</b>                   | <b>1,124</b>             | <b>167</b>                             | <b>2,261</b> | <b>71,831</b>   |
| <b>Net carrying amount</b>                                             |               |                                   |                                                        |                        |                                   |                   |              |               |                              |                          |                                        |              |                 |
| <b>As at 31 March 2024</b>                                             | <b>2,738</b>  | <b>10,589</b>                     | <b>20,838</b>                                          | <b>504</b>             | <b>682</b>                        | <b>73</b>         | <b>161</b>   | <b>9</b>      | <b>420</b>                   | <b>437</b>               | <b>103</b>                             | <b>2,169</b> | <b>38,723</b>   |
| <b>As at 31 March 2025</b>                                             | <b>2,800</b>  | <b>9,557</b>                      | <b>21,708</b>                                          | <b>576</b>             | <b>845</b>                        | <b>117</b>        | <b>149</b>   | <b>8</b>      | <b>395</b>                   | <b>419</b>               | <b>102</b>                             | <b>2,387</b> | <b>39,063</b>   |

\* Balance below rounding off norms

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

**Notes:**

- (i) Execution of lease deed is pending for two land parcels acquired at Tarapur Plant having gross carrying value ₹ 111 lakhs (31 March 2024: ₹ 111 lakhs).
- (ii) Includes ₹ 750 (31 March 2024: ₹ 750) paid for shares acquired in co-operative societies.
- (iii) The assets include certain plant and equipment (including capital work-in-progress) having net carrying amount of ₹ 2,965 lakhs (includes CWIP of ₹ 1,871 lakhs) as at 31 March 2025 (31 March 2024 net carrying amount of ₹ 2,999 lakhs includes CWIP of ₹ 1,438 lakhs); which have remained idle for a considerable period due to contraction in demand. Accordingly, management has performed impairment test on these assets and have recorded an impairment provision of ₹ 648 lakhs (includes impairment on CWIP of ₹ 628 lakhs for the current year) (31 March 2024: ₹ 217 lakhs (including impairment on CWIP of ₹ 142 lakhs)). Refer note 4 for CWIP.  
Recoverable amount of the asset is derived by reducing cost of disposal from fair value. The aforesaid impairment loss is disclosed under exceptional items (Refer note 43).  
Details of valuation:  
a) Level of the fair value hierarchy – Level 3  
b) Description of the valuation technique – Depreciated Replacement Cost (DRC) method under Cost Approach  
c) Key assumptions – Salvage value, costs of disposal, latest quotations with same / similar specifications, economic indices as per Reserve Bank of India, etc.
- (iv) During the year ended 31 March 2025, certain tangible assets, having written down value of ₹ 44 lakhs (31 March 2024: ₹ 29 lakhs) has been additionally classified as 'Assets classified as held for sale', pursuant to the decision of the Holding Company to dispose off the same.
- (v) Disclosure of contractual commitments for the acquisition of property, plant and equipment [Refer note 50(B)].
- (vi) Information on property, plant and equipment pledged as security by the Company [Refer note 58].
- (vii) As at 31 March 2025, certain vehicle was in the personal name of director of the subsidiary Company having gross carrying amount of ₹ 96 lakhs (31 March 2024: ₹ 94 lakhs) and net carrying amount of ₹ 18 lakhs (31 March 2024: ₹ 3 lakhs).

**4 Capital work-in-progress (CWIP)**

(₹ in lakhs)

|                                          | <b>Total</b>  |
|------------------------------------------|---------------|
| <b>Gross carrying amount</b>             |               |
| Balance as at 1 April 2023               | <b>6,433</b>  |
| Additions                                | 6,548         |
| Capitalised during the year              | 4,150         |
| Impairment [Refer note 3(iii)]           | 142           |
| Foreign currency translation adjustments | (464)         |
| <b>Balance as at 31 March 2024</b>       | <b>8,225</b>  |
| Additions                                | 9,580         |
| Capitalised during the year              | 1,179         |
| Impairment [Refer note 3(iii)]           | 628           |
| Foreign currency translation adjustments | (16)          |
| <b>Balance as at 31 March 2025</b>       | <b>15,982</b> |
| <b>Net carrying amount</b>               |               |
| As at 31 March 2024                      | <b>8,225</b>  |
| As at 31 March 2025                      | <b>15,982</b> |

**Capital work-in-progress - ageing schedule**

As at 31 March 2025

(₹ in lakhs)

| CWIP                           | Amount in CWIP for a period of |           |           |                    | Total  |
|--------------------------------|--------------------------------|-----------|-----------|--------------------|--------|
|                                | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years* |        |
| Projects in progress           | 8,243                          | 3,485     | 2,738     | 1,516              | 15,982 |
| Projects temporarily suspended | -                              | -         | -         | -                  | -      |

\* The Company shall utilise these plant and machineries in current and future projects.

As at 31 March 2024

(₹ in lakhs)

| CWIP                           | Amount in CWIP for a period of |           |           |                    | Total |
|--------------------------------|--------------------------------|-----------|-----------|--------------------|-------|
|                                | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years* |       |
| Projects in progress           | 3,168                          | 2,532     | 631       | 1,894              | 8,225 |
| Projects temporarily suspended | -                              | -         | -         | -                  | -     |

\* The Company shall utilise these plant and machineries in current and future projects.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**
**5 Investment property**

(₹ in lakhs)

|                                                                         | Freehold land | Buildings | Total |
|-------------------------------------------------------------------------|---------------|-----------|-------|
| <b>Gross carrying amount</b>                                            |               |           |       |
| Balance as at 1 April 2023                                              | -             | 2,500     | 2,500 |
| Additions                                                               | -             | -         | -     |
| Disposals                                                               | -             | -         | -     |
| <b>Balance as at 31 March 2024</b>                                      | -             | 2,500     | 2,500 |
| Transfer from assets classified as held for sale (Refer note (i) below) | 274           | -         | 274   |
| Disposals                                                               | -             | -         | -     |
| <b>Balance as at 31 March 2025</b>                                      | 274           | 2,500     | 2,774 |
| <b>Accumulated depreciation</b>                                         |               |           |       |
| Balance as at 1 April 2023                                              | -             | 154       | 154   |
| Depreciation charge for the year                                        | -             | 42        | 42    |
| On disposals                                                            | -             | -         | -     |
| <b>Balance as at 31 March 2024</b>                                      | -             | 196       | 196   |
| Depreciation charge for the year                                        | -             | 42        | 42    |
| On disposals                                                            | -             | -         | -     |
| <b>Balance as at 31 March 2025</b>                                      | -             | 238       | 238   |
| <b>Net carrying amount</b>                                              |               |           |       |
| As at 31 March 2024                                                     | -             | 2,304     | 2,304 |
| As at 31 March 2025                                                     | 274           | 2,262     | 2,536 |

**Fair value**

As at 31 March 2024

3,285

As at 31 March 2025

6,437

**Note:**

During the year ended 31 March 2017, the Holding Company had entered into an agreement towards sale of agricultural land (the "Specified Assets"), situated at Gandhidham. However, pending receipt of relevant government approvals towards conversion of agricultural land to industrial land, the agricultural land was classified as 'Assets classified as held for sale'. The sales consideration and carrying value of the agricultural land is USD 4 Million and ₹ 274 lakhs as at 31 March 2025 (31 March 2024: USD 4 Million and ₹ 274 lakhs), respectively. An amount of USD 2 Million received during the year ended 31 March 2017 as an advance against the said agricultural land has been included in Note 33 - 'Other current liabilities'. During current year, the Holding Company has entered into a lease agreement with the acquirer of the land for a period of 3 years. Pursuant to the execution of lease agreement, the Holding Company has classified the said land to Investment Property from the earlier classification of Assets classified as held for sale.

(₹ in lakhs)

|                                                                                            | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Rental income derived from investment property [Refer note 36]                             | 163                         | 133                         |
| Direct operating expenses (including repairs and maintenance) for generating rental income | -                           | -                           |
| <b>Income arising from investment property before depreciation</b>                         | 163                         | 133                         |
| Depreciation charge for the year                                                           | 42                          | 42                          |
| <b>Income arising from investment property (Net)</b>                                       | 121                         | 91                          |

**Premises given on operating lease:**

For current year and previous year, the Holding Company has two non-factory building premises on operating lease. These lease arrangements are for a period of 5 and 9 years and is a cancellable lease. The lease is renewable for further period on mutually agreeable terms.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

The total future minimum lease rentals receivable at the balance sheet date is as under:

(₹ in lakhs)

|                                                                | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------------------------------------------|------------------------|------------------------|
| For a period not later than one year                           | 164                    | 143                    |
| For a period later than one year and not later than five years | 536                    | 634                    |
| For a period later than five years                             | -                      | -                      |

#### Estimation of fair value:

The Holding Company obtains independent valuations atleast annually. The fair valuation of the investment property have been determined by registered independent valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017, using 'Sales Comparison Method' under Market Approach using composite rate of commercial offices by comparing the investment property with similar properties that have recently been sold near the location of investment property. Comparable properties are selected for similarity to the subject property by considering attributes like age, size, shape, quality of construction, building features, condition, design, etc. The fair value measurement is categorised as level 3 fair value hierarchy.

#### 6 Intangible assets

(₹ in lakhs)

|                                          | Computer<br>Software | Total      |
|------------------------------------------|----------------------|------------|
| <b>Gross carrying amount</b>             |                      |            |
| <b>Balance as at 1 April 2023</b>        | <b>538</b>           | <b>538</b> |
| Additions                                | 14                   | 14         |
| Disposals                                | -                    | -          |
| Foreign currency translation adjustments | (74)                 | (74)       |
| <b>Balance as at 31 March 2024</b>       | <b>478</b>           | <b>478</b> |
| Additions                                | 27                   | 27         |
| Disposals                                | -                    | -          |
| Foreign currency translation adjustments | 5                    | 5          |
| <b>Balance as at 31 March 2025</b>       | <b>510</b>           | <b>510</b> |
| <b>Accumulated amortisation</b>          |                      |            |
| <b>Balance as at 1 April 2023</b>        | <b>488</b>           | <b>488</b> |
| Amortisation charge for the year         | 12                   | 12         |
| On disposals                             | -                    | -          |
| Foreign currency translation adjustments | (74)                 | (74)       |
| <b>Balance as at 31 March 2024</b>       | <b>426</b>           | <b>426</b> |
| Amortisation charge for the year         | 23                   | 23         |
| On disposals                             | -                    | -          |
| Foreign currency translation adjustments | 4                    | 4          |
| <b>Balance as at 31 March 2025</b>       | <b>453</b>           | <b>453</b> |
| <b>Net carrying value</b>                |                      |            |
| <b>As at 31 March 2024</b>               | <b>52</b>            | <b>52</b>  |
| <b>As at 31 March 2025</b>               | <b>57</b>            | <b>57</b>  |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**
**7 Intangible assets under development**

(₹ in lakhs)

|                                          | Total      |
|------------------------------------------|------------|
| <b>Gross carrying amount</b>             |            |
| Balance as at 1 April 2023               | -          |
| Additions                                | -          |
| Capitalised during the year              | -          |
| Foreign currency translation adjustments | -          |
| <b>Balance as at 31 March 2024</b>       | -          |
| Additions                                | 342        |
| Capitalised during the year              | -          |
| Foreign currency translation adjustments | 4          |
| <b>Balance as at 31 March 2025</b>       | <b>346</b> |
| <b>Net carrying value</b>                |            |
| As at 31 March 2024                      | -          |
| As at 31 March 2025                      | <b>346</b> |

**Intangible assets under development - ageing schedule**
**As at 31 March 2025**

(₹ in lakhs)

| Intangible assets under development | Amount in intangible assets under development for a period of |           |           |                   | Total |
|-------------------------------------|---------------------------------------------------------------|-----------|-----------|-------------------|-------|
|                                     | Less than 1 year                                              | 1-2 years | 2-3 years | More than 3 years |       |
| Projects in progress                | 346                                                           | -         | -         | -                 | 346   |
| Projects temporarily suspended      | -                                                             | -         | -         | -                 | -     |

**As at 31 March 2024**

(₹ in lakhs)

| Intangible assets under development | Amount in intangible assets under development for a period of |           |           |                   | Total |
|-------------------------------------|---------------------------------------------------------------|-----------|-----------|-------------------|-------|
|                                     | Less than 1 year                                              | 1-2 years | 2-3 years | More than 3 years |       |
| Projects in progress                | -                                                             | -         | -         | -                 | -     |
| Projects temporarily suspended      | -                                                             | -         | -         | -                 | -     |

**8 Non-current investments**

(₹ in lakhs)

|                                                                                     | Face value of shares | As at 31 March 2025 |            | As at 31 March 2024 |            |
|-------------------------------------------------------------------------------------|----------------------|---------------------|------------|---------------------|------------|
|                                                                                     |                      | Quantity (Number)   | ₹ in lakhs | Quantity (Number)   | ₹ in lakhs |
| <b>Investments in equity shares (Unquoted, fully paid-up)</b>                       |                      |                     |            |                     |            |
| <b>Equity investments measured at fair value through other comprehensive income</b> |                      |                     |            |                     |            |
| Everest Kanto Investment & Finance Private Limited                                  | INR 10               | 1,15,000            | 359        | 1,15,000            | 325        |
| GPT Steel Industries Private Limited                                                | INR 10               | 20,00,000           | 200        | 20,00,000           | 200        |
| Less: Provision for impairment in value of investment                               |                      |                     | (200)      |                     | (200)      |
| Tarapur Environment Protection Society                                              | INR 100              | 5,852               | 7          | 5,852               | 7          |
| <b>Total non-current investments</b>                                                |                      |                     | <b>366</b> |                     | <b>332</b> |
| <b>Aggregate amount of unquoted investments</b>                                     |                      |                     | <b>366</b> |                     | <b>332</b> |
| <b>Aggregate amount of impairment in value of investments</b>                       |                      |                     | <b>200</b> |                     | <b>200</b> |

Refer notes 46 and 47 for information about fair value measurement, credit risk and market risk of investments.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

|                                                                                                                                                                                                       | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>9 Trade receivables (non - current)</b>                                                                                                                                                            |                                        |                                        |
| Trade receivables                                                                                                                                                                                     | 114                                    | 276                                    |
| Less : Allowance for expected credit loss                                                                                                                                                             | -                                      | -                                      |
| <b>Total</b>                                                                                                                                                                                          | <b>114</b>                             | <b>276</b>                             |
| <b>Break up of security details: Trade receivables</b>                                                                                                                                                |                                        |                                        |
| - Secured, considered good                                                                                                                                                                            | -                                      | -                                      |
| - Unsecured, considered good                                                                                                                                                                          | 114                                    | 276                                    |
| - Significant increase in credit risk                                                                                                                                                                 | -                                      | -                                      |
| - Credit impaired                                                                                                                                                                                     | -                                      | -                                      |
| Less : Impairment allowance                                                                                                                                                                           |                                        |                                        |
| - Allowance for expected credit loss                                                                                                                                                                  | -                                      | -                                      |
| - Credit impaired                                                                                                                                                                                     | -                                      | -                                      |
| <b>Total</b>                                                                                                                                                                                          | <b>114</b>                             | <b>276</b>                             |
| Refer note 47 for information about credit risk and market risk of trade receivables                                                                                                                  |                                        |                                        |
| For ageing disclosure, refer note 15.                                                                                                                                                                 |                                        |                                        |
| <b>10 Other non-current financial assets</b>                                                                                                                                                          |                                        |                                        |
| <b>Unsecured, considered good, unless otherwise stated</b>                                                                                                                                            |                                        |                                        |
| Deposits maturing over 12 months [Refer note (i) below]                                                                                                                                               | 586                                    | 715                                    |
| Advance for purchase of minority shares in subsidiary [Refer note (ii) below]                                                                                                                         | -                                      | 52                                     |
| Security deposits                                                                                                                                                                                     |                                        |                                        |
| - Considered good                                                                                                                                                                                     | 496                                    | 267                                    |
| - Considered doubtful                                                                                                                                                                                 | 239                                    | 239                                    |
| Less : Allowance for doubtful receivables                                                                                                                                                             | (239)                                  | (239)                                  |
| <b>Total</b>                                                                                                                                                                                          | <b>1,082</b>                           | <b>1,034</b>                           |
| <b>Notes:</b>                                                                                                                                                                                         |                                        |                                        |
| (i) Held as lien by bank against bank guarantees amounting to ₹ 586 lakhs (31 March 2024: ₹ 715 lakhs).                                                                                               |                                        |                                        |
| (ii) Represent, advance paid by EKC International FZE for the acquisition of 17.01% share in EKC Egypt (S.A.E.). The registration and legal transfer of shares was under process as at 31 March 2024. |                                        |                                        |
| (iii) Refer note 47 for information about credit risk and market risk for other non-current financial assets.                                                                                         |                                        |                                        |
| <b>11 Non-current tax assets (net)</b>                                                                                                                                                                |                                        |                                        |
| Advance tax                                                                                                                                                                                           | 6,820                                  | 4,746                                  |
| Provision for taxation                                                                                                                                                                                | (6,463)                                | (4,205)                                |
| <b>Advance tax net of provision</b>                                                                                                                                                                   | <b>357</b>                             | <b>541</b>                             |
| <b>12 Other non-current assets</b>                                                                                                                                                                    |                                        |                                        |
| Unsecured, considered good                                                                                                                                                                            |                                        |                                        |
| - Capital advances                                                                                                                                                                                    | 3,749                                  | 1,736                                  |
| - Deposits with government authorities                                                                                                                                                                | 15                                     | 15                                     |
| <b>Total</b>                                                                                                                                                                                          | <b>3,764</b>                           | <b>1,751</b>                           |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

|                                                         | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|---------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>13 Inventories</b>                                   |                                        |                                        |
| Raw materials and components                            | 27,840                                 | 25,347                                 |
| Less: Provision for diminution in value [Refer note 37] | <u>(1,432)</u>                         | <u>(510)</u>                           |
|                                                         | 26,408                                 | 24,837                                 |
| Work-in-progress                                        | 17,355                                 | 18,324                                 |
| Less: Provision for diminution in value [Refer note 39] | <u>(1,593)</u>                         | <u>(1,624)</u>                         |
|                                                         | 15,762                                 | 16,700                                 |
| Finished goods                                          | 5,128                                  | 4,642                                  |
| Finished goods - In transit                             | -                                      | 283                                    |
| Less: Provision for diminution in value [Refer note 39] | <u>(2)</u>                             | <u>(2)</u>                             |
|                                                         | 5,126                                  | 4,923                                  |
| Stock-in-trade                                          | 775                                    | 1,644                                  |
| Stores and spares                                       | 23                                     | 23                                     |
| <b>Total</b>                                            | <u><b>48,094</b></u>                   | <u><b>48,127</b></u>                   |

**Note:**

Inventory write downs are accounted, considering the nature of inventory, ageing and net realisable value. Write-downs of inventories amounted to ₹ 3,027 lakhs as at 31 March 2025 (as at 31 March 2024 - ₹ 2,136 lakhs). These write-downs were recognised as an expense and included in 'Cost of materials consumed' and 'Changes in inventories of finished goods, work-in-progress and stock-in-trade' in the Statement of Profit and Loss.

**14 Current investments**

(₹ in lakhs)

|                                                                                             | No. of Units | As at<br>31 March 2025 | No. of Units | As at<br>31 March 2024 |
|---------------------------------------------------------------------------------------------|--------------|------------------------|--------------|------------------------|
| <b>Investment in Mutual Funds - quoted (measured at fair value through profit and loss)</b> |              |                        |              |                        |
| ICICI Prudential Liquid Fund - Direct Growth Plan                                           | 89,855       | 345                    | 1,72,479     | 616                    |
| ICICI Prudential Short Term Fund - Direct Growth Plan                                       | 17,031       | 11                     | 4,27,136     | 252                    |
| ICICI Prudential Saving Fund - Direct Growth Plan                                           | 1,50,340     | 811                    | 50,401       | 252                    |
| HDFC Ultra Short Term Fund - Direct Growth Plan                                             | 36,27,102    | 551                    | 36,27,102    | 511                    |
| SBI Liquid Fund - Direct Growth Plan                                                        | 16,368       | 664                    | 16,368       | 619                    |
| Franklin India Money Market Fund - Direct Growth Plan                                       | 21,39,833    | 1,088                  | 21,39,833    | 1,008                  |
| Nippon India Money Market Fund - Direct Growth Plan                                         | 21,070       | 868                    | 21,070       | 805                    |
| Franklin India Corporate Debt Fund - Direct Growth                                          | 8,27,508     | 861                    | -            | -                      |
| Franklin India Ultra Short Duration Fund                                                    | 24,99,875    | 261                    | -            | -                      |
| HDFC Corporate Bond Fund                                                                    | 16,70,146    | 543                    | -            | -                      |
| <b>Total</b>                                                                                |              | 6,003                  |              | 4,063                  |
| <b>Aggregate amount of quoted investments at cost</b>                                       |              | 5,527                  |              | 4,005                  |
| <b>Aggregate amount of investments at market value</b>                                      |              | 6,003                  |              | 4,063                  |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

|                                                        | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|--------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>15 Trade receivables (current)</b>                  |                                        |                                        |
| Trade receivables                                      | 26,043                                 | 18,093                                 |
| Less : Allowance for expected credit loss              | (1,070)                                | (802)                                  |
| <b>Total</b>                                           | <b>24,973</b>                          | <b>17,291</b>                          |
| <b>Break up of security details: Trade receivables</b> |                                        |                                        |
| - Secured, considered good                             | -                                      | -                                      |
| - Unsecured, considered good                           | 24,973                                 | 17,291                                 |
| - Significant increase in credit risk                  | -                                      | -                                      |
| - Credit impaired                                      | 1,070                                  | 802                                    |
| Less : Impairment allowance                            | -                                      | -                                      |
| - Allowance for expected credit loss                   | (60)                                   | (44)                                   |
| - Credit impaired                                      | (1,010)                                | (758)                                  |
| <b>Total</b>                                           | <b>24,973</b>                          | <b>17,291</b>                          |

Refer note 47 for information about credit risk and market risk of trade receivables.

## Trade receivables - as at 31 March 2025

(₹ in lakhs)

|                                                                      | Outstanding for following periods from due date of invoice |                    |                   |             |             |                   | Total         |
|----------------------------------------------------------------------|------------------------------------------------------------|--------------------|-------------------|-------------|-------------|-------------------|---------------|
|                                                                      | Not due                                                    | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years |               |
| Undisputed trade receivables - considered good                       | 17,389                                                     | 7,005              | 457               | 171         | 65          | -                 | 25,087        |
| Undisputed trade receivables - significant increase in credit risk   | -                                                          | -                  | -                 | -           | -           | -                 | -             |
| Undisputed trade receivables - credit impaired                       | 60                                                         | -                  | -                 | 397         | 225         | 388               | 1,070         |
| Less: Allowance for expected credit loss (including credit impaired) |                                                            |                    |                   |             |             |                   | (1,070)       |
| <b>Trade receivables (net)</b>                                       |                                                            |                    |                   |             |             |                   | <b>25,087</b> |

## Trade receivables - as at 31 March 2024

(₹ in lakhs)

|                                                                      | Outstanding for following periods from due date of invoice |                    |                   |             |             |                   | Total         |
|----------------------------------------------------------------------|------------------------------------------------------------|--------------------|-------------------|-------------|-------------|-------------------|---------------|
|                                                                      | Not due                                                    | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years |               |
| Undisputed trade receivables - considered good                       | 6,683                                                      | 9,771              | 826               | 199         | 88          | -                 | 17,567        |
| Undisputed trade receivables - significant increase in credit risk   | -                                                          | -                  | -                 | -           | -           | -                 | -             |
| Undisputed trade receivables - credit impaired                       | 44                                                         | 233                | -                 | 225         | 164         | 136               | 802           |
| Less: Allowance for expected credit loss (including credit impaired) |                                                            |                    |                   |             |             |                   | (802)         |
| <b>Trade receivables (net)</b>                                       |                                                            |                    |                   |             |             |                   | <b>17,567</b> |

## Notes:

- (i) There are no disputed trade receivables as at 31 March 2025 and 31 March 2024.  
(ii) The above ageing disclosure includes non-current trade receivables.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

|                                                                                                                                                                 | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>16 Cash and cash equivalents</b>                                                                                                                             |                                        |                                        |
| Cash on hand                                                                                                                                                    | 173                                    | 41                                     |
| Balances with banks                                                                                                                                             |                                        |                                        |
| - In current accounts                                                                                                                                           | 5,773                                  | 6,455                                  |
| Deposits with maturity of less than three months                                                                                                                | 300                                    | -                                      |
| <b>Total</b>                                                                                                                                                    | <b>6,246</b>                           | <b>6,496</b>                           |
| There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the year.                                                     |                                        |                                        |
| <b>17 Bank balances other than cash and cash equivalents</b>                                                                                                    |                                        |                                        |
| Margin money against guarantees and working capital facilities [Refer Note (i) below]                                                                           | 1,565                                  | 1,993                                  |
| Margin money against letters of credit [Refer Note (ii) below]                                                                                                  | 130                                    | 690                                    |
| Earmarked balances - unpaid dividend accounts                                                                                                                   | 6                                      | 4                                      |
| <b>Total</b>                                                                                                                                                    | <b>1,701</b>                           | <b>2,687</b>                           |
| <b>Notes:</b>                                                                                                                                                   |                                        |                                        |
| (i) Held as lien by bank against bank guarantees amounting to ₹ 3,275 lakhs (₹ 4,078 lakhs as at 31 March 2024)                                                 |                                        |                                        |
| (ii) Held as lien by bank against letters of credit amounting to ₹ 277 lakhs (₹ 1,681 lakhs as at 31 March 2024)                                                |                                        |                                        |
| <b>18 Current loans</b>                                                                                                                                         |                                        |                                        |
| <b>Unsecured, considered good, unless otherwise stated</b>                                                                                                      |                                        |                                        |
| Inter-corporate deposit                                                                                                                                         | 74                                     | 68                                     |
| Others                                                                                                                                                          | 14                                     | 30                                     |
| <b>Total</b>                                                                                                                                                    | <b>88</b>                              | <b>98</b>                              |
| <b>Break up of loan receivables</b>                                                                                                                             |                                        |                                        |
| - Considered good                                                                                                                                               | 88                                     | 98                                     |
| - Significant increase in credit risk                                                                                                                           | -                                      | -                                      |
| - Credit impaired                                                                                                                                               | -                                      | -                                      |
| <b>Total</b>                                                                                                                                                    | <b>88</b>                              | <b>98</b>                              |
| Refer note 47 for information about credit risk and market risk for loans.                                                                                      |                                        |                                        |
| <b>Note:</b>                                                                                                                                                    |                                        |                                        |
| <b>Disclosure as per Section 186 of the Companies Act, 2013</b>                                                                                                 |                                        |                                        |
| <b>Hubtown Limited</b>                                                                                                                                          |                                        |                                        |
| Balance as at the year end                                                                                                                                      | 74                                     | 68                                     |
| Maximum amount outstanding at any time during the year                                                                                                          |                                        |                                        |
| [The loan has been provided for working capital requirements and business purposes (rate of interest - 15% p.a.)]                                               | 74                                     | 68                                     |
| <b>19 Other current financial assets</b>                                                                                                                        |                                        |                                        |
| <b>Unsecured, considered good</b>                                                                                                                               |                                        |                                        |
| Advances and deposits recoverable [Refer note (i) below]                                                                                                        | 28                                     | 249                                    |
| Interest receivable:                                                                                                                                            |                                        |                                        |
| - Banks                                                                                                                                                         | 103                                    | 80                                     |
| Security deposits                                                                                                                                               | 5                                      | 13                                     |
| <b>Total</b>                                                                                                                                                    | <b>136</b>                             | <b>342</b>                             |
| <b>Notes:</b>                                                                                                                                                   |                                        |                                        |
| (i) Includes ₹ 10 lakhs (31 March 2024: ₹ 10 lakhs), a security deposit to a private company in which directors of the Holding Company are directors / members. |                                        |                                        |
| (ii) Refer note 47 for information about credit risk and market risk of trade receivables.                                                                      |                                        |                                        |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

|                                                                                                                                                                                                                                                                                                                                                                     | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>20 Other current assets</b>                                                                                                                                                                                                                                                                                                                                      |                                        |                                        |
| Advances other than capital advances                                                                                                                                                                                                                                                                                                                                |                                        |                                        |
| - Advances paid to suppliers                                                                                                                                                                                                                                                                                                                                        | 7,242                                  | 7,083                                  |
| - Prepaid expenses                                                                                                                                                                                                                                                                                                                                                  | 552                                    | 490                                    |
| Interest receivable                                                                                                                                                                                                                                                                                                                                                 | 3                                      | -                                      |
| Balance with statutory authorities                                                                                                                                                                                                                                                                                                                                  | 1,495                                  | 200                                    |
| Right to receive inventory                                                                                                                                                                                                                                                                                                                                          | 121                                    | 83                                     |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                        | <b>9,413</b>                           | <b>7,856</b>                           |
| <b>21 Assets classified as held for sale</b>                                                                                                                                                                                                                                                                                                                        |                                        |                                        |
| Freehold land [Refer note 5(i)]                                                                                                                                                                                                                                                                                                                                     | -                                      | 274                                    |
| Buildings [Refer note (i)]                                                                                                                                                                                                                                                                                                                                          | 768                                    | 768                                    |
| Plant & Machinery [Refer note (ii) and 3(iv)]                                                                                                                                                                                                                                                                                                                       | 126                                    | 82                                     |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                        | <b>894</b>                             | <b>1,124</b>                           |
| <b>Notes:</b>                                                                                                                                                                                                                                                                                                                                                       |                                        |                                        |
| (i) As at 31 March 2025, building at Aurangabad, having book value ₹ 768 lakhs (31 March 2024 : ₹ 768 lakhs) has been classified as 'Assets classified as held for sale', pursuant to the decision of the Holding Company to dispose off the same.                                                                                                                  |                                        |                                        |
| (ii) As at 31 March 2025, certain plant & machineries having carrying value of ₹ 126 lakhs (31 March 2024 : ₹ 82 lakhs) has been classified as 'Assets classified as held for sale', pursuant to the decision of the Holding Company to dispose off the same. [Refer note 3(iv)].                                                                                   |                                        |                                        |
| (iii) Assets classified as held for sale during the year was measured at the lower of its carrying amount and fair value less costs to sell at the time of the reclassification. The fair value of the land has been determined based on contractual rate agreed with the buyer. The fair valuation has been categorised under Level 3 of the fair value hierarchy. |                                        |                                        |
| <b>22 Equity share capital</b>                                                                                                                                                                                                                                                                                                                                      |                                        |                                        |
| <b>Authorised:</b>                                                                                                                                                                                                                                                                                                                                                  |                                        |                                        |
| 125,000,000 equity shares (31 March 2024 : 125,000,000) of ₹ 2 each                                                                                                                                                                                                                                                                                                 | 2,500                                  | 2,500                                  |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                        | <b>2,500</b>                           | <b>2,500</b>                           |
| <b>Issued, subscribed and paid-up:</b>                                                                                                                                                                                                                                                                                                                              |                                        |                                        |
| 112,207,682 equity shares (31 March 2024 : 112,207,682) of ₹ 2 each fully paid up                                                                                                                                                                                                                                                                                   | 2,244                                  | 2,244                                  |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                        | <b>2,244</b>                           | <b>2,244</b>                           |

## (i) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:

|                                                        | 2024-25               |              | 2023-24               |            |
|--------------------------------------------------------|-----------------------|--------------|-----------------------|------------|
|                                                        | Number of shares held | ₹ in lakhs   | Number of shares held | ₹ in lakhs |
| <b>Shares outstanding at the beginning of the year</b> | <b>11,22,07,682</b>   | <b>2,244</b> | 11,22,07,682          | 2,244      |
| Shares issued during the year                          | -                     | -            | -                     | -          |
| <b>Shares outstanding at the end of the year</b>       | <b>11,22,07,682</b>   | <b>2,244</b> | 11,22,07,682          | 2,244      |

## (ii) Rights, preferences and restrictions attached to equity shares

The Holding Company has only one class of equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Holding Company after distribution of all preferential amounts, in proportion to the shareholding. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.[Refer note 48(iv)].

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

(iii) Details of shareholders holding more than 5% shares in the Holding Company (Also includes details of shareholding of promoter and promoter's group):

| Name of Shareholder           | As at 31st March 2025 |              | As at 31st March 2024 |              |
|-------------------------------|-----------------------|--------------|-----------------------|--------------|
|                               | Number of shares held | % of Holding | Number of shares held | % of Holding |
| Khurana Gases Private Limited | 1,78,18,629           | 15.88        | 1,78,18,629           | 15.88        |
| Ms. Suman Khurana             | 2,73,84,005           | 24.40        | 2,78,03,749           | 24.78        |
| Mr. Pushkar Khurana           | 1,02,39,973           | 9.13         | 1,02,39,973           | 9.13         |
| Mr. Puneet Khurana            | 1,04,69,088           | 9.33         | 1,02,69,459           | 9.15         |

(iv) Details of shareholding by Promoters in the Company:

Shares held by promoters at the end of the year 31 March 2025

| Sr. No. | Promoter Name                   | Number of shares at beginning of the year | Change during the year | Number of Shares at year end | % of total shares | % change during the year |
|---------|---------------------------------|-------------------------------------------|------------------------|------------------------------|-------------------|--------------------------|
| 1       | Suman Premkumar Khurana         | 2,78,03,749                               | (4,19,744)             | 2,73,84,005                  | 24.40             | (1.51)                   |
| 2       | Puneet Premkumar Khurana        | 1,02,69,459                               | 1,99,629               | 1,04,69,088                  | 9.33              | 1.94                     |
| 3       | Pushkar Premkumar Khurana       | 1,02,39,973                               | -                      | 1,02,39,973                  | 9.13              | -                        |
| 4       | Pushkar Family Trust            | -                                         | 2,20,115               | 2,20,115                     | 0.20              | 100.00                   |
| 5       | Varun Khurana                   | 43,22,000                                 | -                      | 43,22,000                    | 3.85              | -                        |
| 6       | Sonia Khurana                   | 3,48,333                                  | -                      | 3,48,333                     | 0.31              | -                        |
| 7       | Nishita Khurana                 | 10,000                                    | -                      | 10,000                       | 0.01              | -                        |
| 8       | Pooja Khurana                   | 1,000                                     | -                      | 1,000                        | 0.00              | -                        |
| 9       | Khurana Gases Private Limited   | 1,78,18,629                               | -                      | 1,78,18,629                  | 15.88             | -                        |
| 10      | Medical Engineers India Limited | 48,00,000                                 | -                      | 48,00,000                    | 4.28              | -                        |

Shares held by promoters at the end of the year 31 March 2024

| Sr. No. | Promoter Name                     | Number of shares at beginning of the year | Change during the year | Number of Shares at year end | % of total shares | % change during the year |
|---------|-----------------------------------|-------------------------------------------|------------------------|------------------------------|-------------------|--------------------------|
| 1       | Suman Premkumar Khurana           | 2,78,03,749                               | -                      | 2,78,03,749                  | 24.78             | -                        |
| 2       | Puneet Premkumar Khurana          | 82,05,459                                 | 20,64,000              | 1,02,69,459                  | 9.15              | 25.15                    |
| 3       | Pushkar Premkumar Khurana         | 75,03,973                                 | 27,36,000              | 1,02,39,973                  | 9.13              | 36.46                    |
| 4       | Premkumar Dharampal Khurana (HUF) | 48,00,000                                 | (48,00,000)            | -                            | -                 | (100.00)                 |
| 5       | Varun Khurana                     | 43,22,000                                 | -                      | 43,22,000                    | 3.85              | -                        |
| 6       | Sonia Khurana                     | 3,48,333                                  | -                      | 3,48,333                     | 0.31              | -                        |
| 7       | Nishita Khurana                   | 10,000                                    | -                      | 10,000                       | 0.01              | -                        |
| 8       | Pooja Khurana                     | 1,000                                     | -                      | 1,000                        | 0.00              | -                        |
| 9       | Khurana Gases Private Limited     | 1,78,18,629                               | -                      | 1,78,18,629                  | 15.88             | -                        |
| 10      | Medical Engineers India Limited   | 48,00,000                                 | -                      | 48,00,000                    | 4.28              | -                        |

(v) The Company has not issued any bonus shares or shares for consideration other than cash nor has there been any buyback of shares during five years immediately preceding 31 March 2025 and 31 March 2024.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

|                                                                                 | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|---------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>23 Other equity</b>                                                          |                                        |                                        |
| Securities premium                                                              | 24,789                                 | 24,789                                 |
| General reserve                                                                 | 7,491                                  | 7,491                                  |
| Retained earnings                                                               | 76,954                                 | 67,806                                 |
| Equity instruments at fair value through other comprehensive income (FVOCI)     | 298                                    | 273                                    |
| Foreign currency translation reserve (FCTR)                                     | 8,864                                  | 7,454                                  |
| <b>Total</b>                                                                    | <b>1,18,396</b>                        | <b>1,07,813</b>                        |
| <b>(i) Securities premium</b>                                                   |                                        |                                        |
| Opening balance                                                                 | 24,789                                 | 24,789                                 |
| Transactions during the year                                                    | -                                      | -                                      |
| <b>Closing balance</b>                                                          | <b>24,789</b>                          | <b>24,789</b>                          |
| <b>(ii) General reserve</b>                                                     |                                        |                                        |
| Opening Balance                                                                 | 7,491                                  | 7,491                                  |
| Transactions during the year                                                    | -                                      | -                                      |
| <b>Closing balance</b>                                                          | <b>7,491</b>                           | <b>7,491</b>                           |
| <b>(iii) Retained earnings</b>                                                  |                                        |                                        |
| Opening Balance                                                                 | 67,806                                 | 58,119                                 |
| Transactions during the year                                                    |                                        |                                        |
| Net profit for the year                                                         | 9,793                                  | 9,923                                  |
| Dividend for the year 2023-24 and 2022-23 respectively                          | (785)                                  | (785)                                  |
| Other comprehensive income for the year                                         | 90                                     | 565                                    |
| Changes in non-controlling interests                                            | 50                                     | (16)                                   |
| <b>Closing balance</b>                                                          | <b>76,954</b>                          | <b>67,806</b>                          |
| <b>(iv) Equity instruments at fair value through other comprehensive income</b> |                                        |                                        |
| Opening Balance                                                                 | 273                                    | 280                                    |
| Transactions during the year                                                    |                                        |                                        |
| Other comprehensive income for the year                                         | 25                                     | (7)                                    |
| <b>Closing balance</b>                                                          | <b>298</b>                             | <b>273</b>                             |
| <b>(v) Foreign currency translation reserve</b>                                 |                                        |                                        |
| Opening Balance                                                                 | 7,454                                  | 6,984                                  |
| Transactions during the year                                                    |                                        |                                        |
| Other comprehensive income for the year                                         | 1,410                                  | 470                                    |
| <b>Closing Balance</b>                                                          | <b>8,864</b>                           | <b>7,454</b>                           |

**Nature and purpose of reserves****Securities premium**

Securities premium is created due to premium on issue of shares. This reserve is utilised in accordance with the provisions of the Act.

**General reserve**

General reserve represents amounts appropriated out of retained earnings based on the provisions of the Act prior to its amendment.

**Retained earnings**

Retained earnings pertain to the accumulated earnings / losses by the Group over the years.

**Equity instruments at fair value through other comprehensive income**

The Holding Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated under this head. The Holding Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

|                                                                                              | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|----------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>24 Non-current borrowings</b>                                                             |                                        |                                        |
| <b>Secured</b>                                                                               |                                        |                                        |
| <b>Term loans</b>                                                                            |                                        |                                        |
| Term loan from banks [Refer note I(i) and III below]                                         | 2,442                                  | 3                                      |
| Vehicle loans from banks and a financial institution [Refer notes I (ii) and II (iii) below] | 240                                    | 149                                    |
| <b>Total</b>                                                                                 | <u>2,682</u>                           | <u>152</u>                             |

**Notes :**
**(I) Everest Kanto Cylinder Limited, India**
**Term loan from bank**
**(i) Maturity profile:**

|                   | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|-------------------|----------------------------------------|----------------------------------------|
| Less than 1 year  | 273                                    | -                                      |
| 1-5 years         | 1,454                                  | -                                      |
| More than 5 years | 273                                    | -                                      |

This loan is secured by hypothecation of underlying plant and machinery and is at fixed rate of interest of 9.25% per annum.

**Vehicle loans from financial institution**
**(ii) Maturity profile:**

|                   | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|-------------------|----------------------------------------|----------------------------------------|
| Less than 1 year  | 26                                     | 50                                     |
| 1-5 years         | 155                                    | 107                                    |
| More than 5 years | -                                      | -                                      |

These loans are secured by hypothecation of underlying vehicles and are at fixed rate of interest of 8.85% to 9.54% per annum.

**(II) EKC International FZE, UAE**
**Vehicle loans from bank**
**(iii) Maturity profile:**

|                   | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|-------------------|----------------------------------------|----------------------------------------|
| Less than 1 year  | 43                                     | 31                                     |
| 1-5 years         | 85                                     | 43                                     |
| More than 5 years | -                                      | -                                      |

These loans are secured by hypothecation of underlying vehicles and are at fixed rate of interest of 2.39% to 6.50% per annum.

**(III) EKC Egypt (S.A.E.), Egypt**

- (iv) Term loan for the purpose of construction and operation of a plant, a long term loan of EGP 953 Million (including capitalised interest amount of EGP 324 Million) is sanctioned from a bank for a term for nine years (including 21 months drawdown period), ending no later than 15 January 2026. The outstanding balance as at 31 March 2025 is amounting to ₹ 715 lakhs (31 March 2024: ₹ 3 lakhs). This loan is secured by first lien commercial mortgage on all tangible, intangible of the Company including land, building and also guarantees by shareholders (including EKC International FZE) is at rate of interest of 1.50% margin above the corridor lending rate announced by central bank of Egypt per annum.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

- (v) During the current year, the company signed an addendum to the loan contract to split the finance into two limits amounted USD 7 Million (including capitalised interest USD 1 Million) and EGP 628 Million (including capitalised interest of EGP 160 Million) each limit to be settled on 24 quarterly installments from 15 January 2026 till 15 October 2031.

Maturity profile:

|                   | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|-------------------|----------------------------------------|----------------------------------------|
| Less than 1 year  | -                                      | -                                      |
| 1-5 years         | 425                                    | -                                      |
| More than 5 years | 290                                    | -                                      |

- (vi) Refer note 47 for liquidity risk and refer note 58 for carrying amount of financial assets and non-financial assets pledged as security for secured borrowings.
- (vii) There is no default in repayment of principal and payment of interest on the above mentioned loans.

|                                                                             | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|-----------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>25 Non-current lease liabilities</b>                                     |                                        |                                        |
| Lease liabilities [Refer note 56]                                           | 2,487                                  | 2,053                                  |
| <b>Total</b>                                                                | <u>2,487</u>                           | <u>2,053</u>                           |
| Refer note 47 for liquidity risk.                                           |                                        |                                        |
| <b>26 Other non-current financial liabilities</b>                           |                                        |                                        |
| Security deposits                                                           | 35                                     | 35                                     |
| Payable for capital expenditure                                             | -                                      | 253                                    |
| <b>Total</b>                                                                | <u>35</u>                              | <u>288</u>                             |
| <b>27 Deferred tax liabilities (net)</b>                                    |                                        |                                        |
| <b>Deferred tax liability on account of :</b>                               |                                        |                                        |
| Depreciation and amortisation                                               | 1,938                                  | 1,864                                  |
| Lease liability (net of right-of-use assets) [Refer note 56]                | 7                                      | -                                      |
| Equity instruments at fair value through other comprehensive income (FVOCI) | 23                                     | 14                                     |
|                                                                             | <u>1,968</u>                           | <u>1,878</u>                           |
| <b>Deferred tax assets on account of :</b>                                  |                                        |                                        |
| Lease liability (net of right-of-use assets) [Refer note 56]                | -                                      | 23                                     |
| Provision for doubtful debts / advances / other receivables, etc.           | 1,104                                  | 863                                    |
| Provision for employee benefits                                             | 154                                    | 113                                    |
| Provision for sales returns                                                 | 19                                     | 12                                     |
| Unrealised profits on closing stock                                         | 20                                     | 19                                     |
|                                                                             | <u>1,297</u>                           | <u>1,030</u>                           |
| <b>Deferred tax liabilities (net)</b>                                       | <u>671</u>                             | <u>848</u>                             |

**Notes:**

- (i) Deferred income tax liabilities on undistributed earnings of the Group subsidiaries have not been provided as such earnings are deemed to be reinvested in the business and the Group is able to control the timing of the reversals of temporary differences associated with these investments. Accordingly, temporary difference on which deferred tax liability has not been recognised during the year amounts to ₹ 5,749 lakhs (31 March 2024: ₹ 5,867 lakhs).
- (ii) Refer note 44B for movement in deferred tax balance.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

|                                                                                          | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>28 Non-current provisions</b>                                                         |                                        |                                        |
| <b>Provision for employee benefits</b>                                                   |                                        |                                        |
| - Compensated absences [Refer note 51]                                                   | 302                                    | 330                                    |
| - Post retirement benefits (net of plan assets) [Refer note 51]                          | 596                                    | 1,245                                  |
| <b>Total</b>                                                                             | <u>898</u>                             | <u>1,575</u>                           |
| <b>29 Current borrowings</b>                                                             |                                        |                                        |
| <b>Secured</b>                                                                           |                                        |                                        |
| Working capital facilities from banks [Refer notes (ii), (iii) and (vi) to (viii) below] | 11,298                                 | 3,895                                  |
| Current maturities of non-current borrowings                                             |                                        |                                        |
| <b>Term loan</b>                                                                         |                                        |                                        |
| Loans from banks [Refer note 29(I)(i) and (vii) below]                                   | 273                                    | -                                      |
| Vehicle loans from banks and a financial institution [Refer notes (i) and (v)]           | 69                                     | 81                                     |
| <b>Total</b>                                                                             | <u>11,640</u>                          | <u>3,976</u>                           |
| <b>Notes:</b>                                                                            |                                        |                                        |

**(I) Everest Kanto Cylinder Limited, India**
**Working capital loans from bank**

- (i) Working capital facilities from various banks having an outstanding balance of ₹ 8,469 lakhs as at 31 March 2025 (31 March 2024: Nil) are secured by way of (i) first pari passu charge in the form of hypothecation of stocks, book debts and all other current assets of the Company and (ii) second pari passu charge on certain land and buildings and moveable fixed assets of the Company. (iii) secured by personal guarantees from two promoter directors. Working capital facility is also secured by exclusive mortgage charge on specific property to each lender bank. Working capital facilities from a bank has been secured by fixed deposits aggregating ₹ 500 lakhs of the Company, which have been held as lien against this facility. The interest rate of the working capital facilities ranges from 9.35% per annum to 10.80% per annum (31 March 2024 : 9.35% per annum to 10.80% per annum)).
- (ii) For the year ended 31 March 2025 and 31 March 2024, the quarterly returns / statements filed by the Company with working capital lending banks are in agreement with the books of account of the Company.

**(II) EKC International FZE, UAE**
**Working capital loans from bank**

- (iii) Total facilities of AED 21 Million (31 March 2024: AED 35 Million) from other Bank include AED 5 Million (31 March 2024: AED 14 Million) Overdraft Facility bearing interest rate of 3.5% p.a. over 1M EIBOR (31 March 2024: interest rate 1.9% p.a. over 1M SOFR) and AED 15 Million (31 March 2024: AED 20 Million) Trade Limit (Letter of Credit / Trust Receipt/ Performance Guarantees) bearing interest rate of 3% p.a. over 3M EIBOR or 3% p.a. over 6 months EIBOR (31 March 2024: Interest rate 3% p.a. over 6M EIBOR) , with 20% cash margin at the time of LC opening and AED 1 Million term loan for vehicles at 3% p.a. over 1M EIBOR (and AED 4,00,000 Labour guarantee facility with 100% margin). These facilities are secured by first degree registered mortgage over properties i.e. Factory and Office built on Plot nos. MO0313 & S21004, Jebel Ali Free Zone, Dubai, U.A.E. for AED 27,500,000 and AED 6,700,000 respectively in favour of bank. There was no working capital loan outstanding against the above facilities as at 31 March 2025 and 31 March 2024.

**(II) CP Industries Holdings Inc. USA**
**Working capital loans from bank**

- (iv) Working capital loan from bank having an outstanding balance of ₹ 2,756 lakhs (31 March 2024: ₹ 3,895 lakhs) is secured substantially by all the assets of the Company (31 March 2024: working capital loan was secured by substantially all assets of the company and equity shares of the Company, pledged by EKC Hungary Kft (its immediate holding company upto 15 September 2024)). The interest rate of the borrowing is 2% in excess of Wall street journal prime rate which was 7.5% p.a. as at 31 March 2025 (31 March 2024: Interest rate of the borrowing ranged from 2.25% p.a. to 3.00% p.a. based on quarterly leverage ratios plus the one month SOFR rate approximately 3.75% as at 31 March 2024).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

## (III) EKC Egypt (S.A.E.), Egypt

## (v) Unsecured loan from others

During year ended 31 March 2023, EKC Egypt, step-down subsidiary of the Holding Company had taken an interest free unsecured loan of ₹ 246 lakhs from its shareholder having non-controlling interest, which was repayable on demand. The said loan was repayable on demand and was fully paid during the year ended 31 March 2024.

(vi) There is no default in repayment of principal and payment of interest on the above mentioned loans.

(vii) Refer note 58 for carrying amount of financial assets and non-financial assets pledged as security for secured borrowings.

|                                                                                                                          | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|--------------------------------------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>30 Current lease liabilities</b>                                                                                      |                                        |                                        |
| Lease liabilities [Refer note 56]                                                                                        | 221                                    | 363                                    |
| <b>Total</b>                                                                                                             | <b>221</b>                             | <b>363</b>                             |
| Refer note 47 for liquidity risk.                                                                                        |                                        |                                        |
| <b>31 Trade payables</b>                                                                                                 |                                        |                                        |
| Total outstanding dues to micro and small enterprises [Refer note (ii) below]                                            | 641                                    | 412                                    |
| Total outstanding dues of creditors other than micro enterprises and small enterprises - related parties [Refer note 49] | 88                                     | 86                                     |
| Total outstanding dues of creditors other than micro enterprises and small enterprises - others                          | 6,554                                  | 6,076                                  |
| <b>Total</b>                                                                                                             | <b>7,283</b>                           | <b>6,574</b>                           |

**Notes:**

- (i) Refer note 47 for information about liquidity risk and market risk of trade payables.  
(ii) The disclosure pursuant to Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are as follows:

|                                                                                                                                                                                                                                                                           |     |     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year                                                                                                                                                  |     |     |
| - Principal amount                                                                                                                                                                                                                                                        | 641 | 412 |
| - interest thereon, included in finance cost                                                                                                                                                                                                                              | -   | -   |
| The amount of interest paid by the buyer under MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year                                                                                                  | -   | -   |
| The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.                                                            | -   | -   |
| The amount of interest accrued and remaining unpaid at the end of each accounting year; and                                                                                                                                                                               | -   | -   |
| The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act | -   | -   |

Disclosure of payable to vendors as defined under the MSMED Act is based on the information available with the Group regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Group.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**
**Trade payables ageing schedule -**
**As at 31 March 2025**

(₹ in lakhs)

| Trade Payables         | Outstanding for following periods from due date of payment |                  |           |           |                   |       |
|------------------------|------------------------------------------------------------|------------------|-----------|-----------|-------------------|-------|
|                        | Not due*                                                   | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| MSME                   | -                                                          | 641              | -         | -         | -                 | 641   |
| Others                 | 1,039                                                      | 5,107            | 79        | 16        | 401               | 6,642 |
| Disputed dues - MSME   | -                                                          | -                | -         | -         | -                 | -     |
| Disputed dues - Others | -                                                          | -                | -         | -         | -                 | -     |

**Trade payables ageing schedule -**
**As at 31 March 2024**

(₹ in lakhs)

| Trade Payables         | Outstanding for following periods from due date of payment |                  |           |           |                   |       |
|------------------------|------------------------------------------------------------|------------------|-----------|-----------|-------------------|-------|
|                        | Not due*                                                   | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| MSME                   | -                                                          | 412              | -         | -         | -                 | 412   |
| Others                 | 995                                                        | 4,494            | 259       | 4         | 410               | 6,162 |
| Disputed dues - MSME   | -                                                          | -                | -         | -         | -                 | -     |
| Disputed dues - Others | -                                                          | -                | -         | -         | -                 | -     |

\* includes accrued and unbilled. Previous year balance has been regrouped from other financial liabilities.

|                                                                                                                                                                         | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>32 Other current financial liabilities</b>                                                                                                                           |                                        |                                        |
| Unpaid dividends [Refer note below]                                                                                                                                     | 6                                      | 4                                      |
| Payable for capital expenditure                                                                                                                                         | 654                                    | 415                                    |
| Deposits                                                                                                                                                                | 18                                     | 18                                     |
| Employee benefits payable                                                                                                                                               | 668                                    | 785                                    |
| Directors' commission payable                                                                                                                                           | 120                                    | 128                                    |
| Others                                                                                                                                                                  | 385                                    | -                                      |
| <b>Total</b>                                                                                                                                                            | <b>1,851</b>                           | <b>1,350</b>                           |
| <b>Note:</b>                                                                                                                                                            |                                        |                                        |
| There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at 31 March, 2025 and 31 March 2024. |                                        |                                        |
| <b>33 Other current liabilities</b>                                                                                                                                     |                                        |                                        |
| Revenue received in advance [Includes advances from related parties NIL (31 March 2024 : ₹ 23 lakhs)] [Refer note 49]                                                   | 10,739                                 | 12,453                                 |
| Statutory dues                                                                                                                                                          | 376                                    | 111                                    |
| Advance received against sale of land [Refer note 5(i)]                                                                                                                 | 1,320                                  | 1,320                                  |
| <b>Total</b>                                                                                                                                                            | <b>12,435</b>                          | <b>13,884</b>                          |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

|                                                                                                                                                                                                                                                                                                                                                                                                    | As at<br>31 March 2025<br>(₹ in lakhs) | As at<br>31 March 2024<br>(₹ in lakhs) |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| <b>34 Current provisions</b>                                                                                                                                                                                                                                                                                                                                                                       |                                        |                                        |
| Provision for employee benefits                                                                                                                                                                                                                                                                                                                                                                    |                                        |                                        |
| - Compensated absences [Refer note 51]                                                                                                                                                                                                                                                                                                                                                             | 32                                     | 27                                     |
| - Post retirement benefits [Refer note 51]                                                                                                                                                                                                                                                                                                                                                         | 1                                      | 1                                      |
| Provision for sales returns [Refer note below]                                                                                                                                                                                                                                                                                                                                                     | 192                                    | 133                                    |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                       | <b>225</b>                             | <b>161</b>                             |
| <b>Note:</b>                                                                                                                                                                                                                                                                                                                                                                                       |                                        |                                        |
| A provision is recognized for sales returns on products sold during the last six months, based on past experience of the level of returns. Assumptions used to calculate the provision for sales return were based on current sales levels and current information available about returns for all products sold. The table below gives information about movement in provision for sales returns. |                                        |                                        |
| Opening provision for sales returns                                                                                                                                                                                                                                                                                                                                                                | 133                                    | 61                                     |
| Provision made during the year                                                                                                                                                                                                                                                                                                                                                                     | 62                                     | 73                                     |
| Provision reversed during the year                                                                                                                                                                                                                                                                                                                                                                 | 3                                      | 1                                      |
| Closing provision for sales returns                                                                                                                                                                                                                                                                                                                                                                | 192                                    | 133                                    |
| <b>11A Current tax liabilities</b>                                                                                                                                                                                                                                                                                                                                                                 |                                        |                                        |
| Advance tax                                                                                                                                                                                                                                                                                                                                                                                        | 178                                    | 104                                    |
| Provision for taxation                                                                                                                                                                                                                                                                                                                                                                             | (30)                                   | (29)                                   |
| Current tax liabilities                                                                                                                                                                                                                                                                                                                                                                            | <b>148</b>                             | <b>75</b>                              |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

|                                                                                                    | Year Ended<br>31 March 2025<br>(₹ in lakhs) | Year Ended<br>31 March 2024<br>(₹ in lakhs) |
|----------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| <b>35 Revenue from operations</b>                                                                  |                                             |                                             |
| <b>Sale of products</b>                                                                            |                                             |                                             |
| Manufactured goods                                                                                 | 1,42,762                                    | 1,14,763                                    |
| Stock-in-trade                                                                                     | 4,198                                       | 5,385                                       |
| <b>Other operating revenues</b>                                                                    |                                             |                                             |
| Scrap sales                                                                                        | 924                                         | 859                                         |
| Testing, inspection and installation fees                                                          | 2,037                                       | 1,289                                       |
| <b>Total</b>                                                                                       | <b>1,49,921</b>                             | <b>1,22,296</b>                             |
| Refer note 54 for details of revenue from contracts with customers.                                |                                             |                                             |
| <b>36 Other income</b>                                                                             |                                             |                                             |
| <b>Interest on financial assets measured at amortised cost</b>                                     |                                             |                                             |
| - Inter-corporate deposit                                                                          | 6                                           | 6                                           |
| - Fixed deposits                                                                                   | 310                                         | 164                                         |
| - Others                                                                                           | 1                                           | 6                                           |
| <b>Other non-operating income (net)</b>                                                            |                                             |                                             |
| - Gain on fair valuation of current investment                                                     | 428                                         | 58                                          |
| - Realised gain on redemption of current investments                                               | 13                                          | 5                                           |
| - Excess provision written back [Refer note 47A]                                                   | -                                           | 91                                          |
| - Recovery of bad debts of earlier years                                                           | 5                                           | 9                                           |
| - Liabilities no longer required written back                                                      | 1                                           | 100                                         |
| - Lease rent income                                                                                | 163                                         | 133                                         |
| - Profit on sale of property, plant and equipment (net)                                            | -                                           | 8                                           |
| - Miscellaneous income                                                                             | 58                                          | 91                                          |
| <b>Total</b>                                                                                       | <b>985</b>                                  | <b>671</b>                                  |
| <b>37 Cost of materials consumed</b>                                                               |                                             |                                             |
| <b>Raw material and components consumed</b>                                                        |                                             |                                             |
| Opening stock                                                                                      | 25,347                                      | 31,504                                      |
| Add: Purchases                                                                                     | 80,394                                      | 56,197                                      |
| Add: Addition/(reversal) of provision towards write down in value of slow and non moving inventory | 922                                         | (18)                                        |
| Add: Foreign exchange translation reserve impact                                                   | 334                                         | 192                                         |
| Less: Closing stock (including in transit)                                                         | 27,840                                      | 25,347                                      |
| <b>Total</b>                                                                                       | <b>79,157</b>                               | <b>62,528</b>                               |
| <b>38 Purchases of stock-in-trade</b>                                                              |                                             |                                             |
| Fire fighting equipment                                                                            | 155                                         | 327                                         |
| Stores, spares and consumables                                                                     | -                                           | 187                                         |
| Cylinders                                                                                          | 614                                         | 377                                         |
| <b>Total</b>                                                                                       | <b>769</b>                                  | <b>891</b>                                  |
| <b>39 Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>            |                                             |                                             |
| <b>At the beginning of the year</b>                                                                |                                             |                                             |
| Work-in-progress                                                                                   | 18,324                                      | 16,628                                      |
| Finished goods                                                                                     | 4,925                                       | 8,195                                       |
| Stock-in-trade                                                                                     | 1,644                                       | 985                                         |
|                                                                                                    | <b>24,893</b>                               | <b>25,808</b>                               |
| Assets held for sale converted into inventory                                                      | -                                           | 88                                          |
|                                                                                                    | <b>24,893</b>                               | <b>25,896</b>                               |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

|                                                                                                                                                | Year Ended<br>31 March 2025<br>(₹ in lakhs) | Year Ended<br>31 March 2024<br>(₹ in lakhs) |
|------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| <b>At the end of the year</b>                                                                                                                  |                                             |                                             |
| Work-in-progress                                                                                                                               | 17,355                                      | 18,324                                      |
| Finished goods (including in transit)                                                                                                          | 5,128                                       | 4,925                                       |
| Stock-in-trade                                                                                                                                 | 775                                         | 1,644                                       |
|                                                                                                                                                | <u>23,258</u>                               | <u>24,893</u>                               |
| Add: Addition/(Reversal) of provision towards writedown in value of slow and non moving inventory                                              | (30)                                        | 228                                         |
| Add: Foreign exchange translation reserve impact                                                                                               | 311                                         | 195                                         |
| <b>Total</b>                                                                                                                                   | <u>1,916</u>                                | <u>1,426</u>                                |
| <b>40 Employee benefits expense</b>                                                                                                            |                                             |                                             |
| Salaries and wages*                                                                                                                            | 14,408                                      | 12,198                                      |
| Gratuity and compensated absences [Refer note 51(B) and (C)]                                                                                   | 43                                          | 234                                         |
| Contribution to provident and other funds [Refer note 51(A)]                                                                                   | 262                                         | 259                                         |
| Staff welfare expenses                                                                                                                         | 157                                         | 174                                         |
| <b>Total</b>                                                                                                                                   | <u>14,870</u>                               | <u>12,865</u>                               |
| *Include salaries to key managerial personnel (KMP) and their relatives amounting to ₹ 573 lakhs (31 March 2024: ₹ 503 lakhs) [Refer note 49]. |                                             |                                             |
| <b>41 Finance costs</b>                                                                                                                        |                                             |                                             |
| Interest expenses on financial liabilities measured at amortised cost                                                                          |                                             |                                             |
| - Borrowings                                                                                                                                   | 1,068                                       | 508                                         |
| - Lease liabilities [Refer note 56]                                                                                                            | 220                                         | 185                                         |
| Bank processing fees and other borrowing cost                                                                                                  | 60                                          | 70                                          |
| <b>Total</b>                                                                                                                                   | <u>1,348</u>                                | <u>763</u>                                  |
| <b>42 Other expenses</b>                                                                                                                       |                                             |                                             |
| Consumption of stores and spares                                                                                                               | 5,260                                       | 4,996                                       |
| Power and fuel                                                                                                                                 | 8,162                                       | 7,088                                       |
| Water charges                                                                                                                                  | 105                                         | 110                                         |
| Repairs and maintenance                                                                                                                        |                                             |                                             |
| - Building                                                                                                                                     | 194                                         | 143                                         |
| - Plant and equipment                                                                                                                          | 281                                         | 224                                         |
| - Others                                                                                                                                       | 902                                         | 559                                         |
| Labour charges                                                                                                                                 | 1,585                                       | 1,118                                       |
| Lease rent [Refer note 56]                                                                                                                     | 373                                         | 120                                         |
| Insurance                                                                                                                                      | 976                                         | 528                                         |
| Rates and taxes                                                                                                                                | 5,896                                       | 3,975                                       |
| Payment to auditors [Refer note (i) below]                                                                                                     | 38                                          | 44                                          |
| Director sitting fees [Refer note 49]                                                                                                          | 33                                          | 31                                          |
| Commission to directors [Refer note 49]                                                                                                        | 120                                         | 128                                         |
| Expenditure towards corporate social responsibility [Refer note 59]                                                                            | 340                                         | 392                                         |
| Legal and professional fees                                                                                                                    | 1,513                                       | 1,538                                       |
| Net loss on property, plant and equipment sold / discarded                                                                                     | 1                                           | -                                           |
| Travelling and conveyance                                                                                                                      | 1,043                                       | 891                                         |
| Security expenses                                                                                                                              | 100                                         | 91                                          |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

|                                                                                                                                                                          | Year Ended<br>31 March 2025<br>(₹ in lakhs) | Year Ended<br>31 March 2024<br>(₹ in lakhs) |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| Bad debts / advances / sundry balance written off                                                                                                                        | 310                                         | 782                                         |
| Provision for doubtful debts [Refer note 47(A)]                                                                                                                          | 216                                         | -                                           |
| Bank charges and commission                                                                                                                                              | 304                                         | 244                                         |
| Packing and forwarding                                                                                                                                                   | 1,017                                       | 735                                         |
| Carriage and freight                                                                                                                                                     | 2,334                                       | 1,286                                       |
| Advertisement and sales promotion                                                                                                                                        | 677                                         | 509                                         |
| Commission on sales                                                                                                                                                      | 266                                         | 470                                         |
| Inspection and testing expense                                                                                                                                           | 982                                         | -                                           |
| Miscellaneous expenses                                                                                                                                                   | 2,628                                       | 2,536                                       |
| <b>Total</b>                                                                                                                                                             | <b>35,656</b>                               | <b>28,538</b>                               |
| <b>Note:</b>                                                                                                                                                             |                                             |                                             |
| <b>(i) Payment to auditors of the holding company (excluding taxes)</b>                                                                                                  |                                             |                                             |
| As Auditors (including limited review)                                                                                                                                   | 35                                          | 39                                          |
| Certification fees                                                                                                                                                       | 1                                           | 1                                           |
| Out of pocket expenses                                                                                                                                                   | 2                                           | 4                                           |
| <b>Total</b>                                                                                                                                                             | <b>38</b>                                   | <b>44</b>                                   |
| <b>43 Exceptional items gain / (loss) (net)</b>                                                                                                                          |                                             |                                             |
| Provision for impairment of property, plant and equipment and capital work-in-progress [Refer note 3(iii)]                                                               | (648)                                       | (217)                                       |
| <b>Total</b>                                                                                                                                                             | <b>(648)</b>                                | <b>(217)</b>                                |
| <b>44 Tax expense / (credit)</b>                                                                                                                                         |                                             |                                             |
| Current tax on profits for the year                                                                                                                                      | 2,788                                       | 1,900                                       |
| Deferred tax                                                                                                                                                             | (167)                                       | 157                                         |
| <b>Total</b>                                                                                                                                                             | <b>2,621</b>                                | <b>2,057</b>                                |
| <b>(A) Reconciliation of income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarised below:</b> |                                             |                                             |
| Profit before tax from continuing operations                                                                                                                             | 12,393                                      | 11,817                                      |
| Profit before tax from discontinued operations                                                                                                                           | -                                           | -                                           |
| Profit before tax                                                                                                                                                        | 12,393                                      | 11,817                                      |
| Expected income tax at the enacted rate of 25.168% (31 March 2024: 25.168%)                                                                                              | 3,119                                       | 2,974                                       |
| <b>Tax effect of the amounts which are not deductible / taxable in calculating taxable income:</b>                                                                       |                                             |                                             |
| Expenses not allowable for tax purposes                                                                                                                                  | 23                                          | 124                                         |
| Expenditure towards corporate social responsibility                                                                                                                      | 85                                          | 99                                          |
| Loss of subsidiaries on which deferred tax assets not recognised                                                                                                         | 197                                         | 225                                         |
| Entities with no tax                                                                                                                                                     | (75)                                        | (556)                                       |
| Effect of lower tax rate on Capital Gain                                                                                                                                 | (1)                                         | (1)                                         |
| Utilisation of brought forward losses                                                                                                                                    | (840)                                       | (718)                                       |
| Others                                                                                                                                                                   | 113                                         | (90)                                        |
| <b>Total</b>                                                                                                                                                             | <b>2,621</b>                                | <b>2,057</b>                                |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

## (B) Deferred tax assets movement (net)

(₹ in lakhs)

|                                                                                   | As at<br>31 March<br>2025 | Changes<br>recognised in<br>Consolidated<br>Statement of<br>Profit and<br>Loss | Changes<br>recognised<br>in other<br>comprehensive<br>income | As at<br>31 March<br>2024 | Changes<br>recognised in<br>Consolidated<br>Statement of<br>Profit and<br>Loss | Changes<br>recognised<br>in other<br>comprehensive<br>income | As at<br>01 April<br>2023 |
|-----------------------------------------------------------------------------------|---------------------------|--------------------------------------------------------------------------------|--------------------------------------------------------------|---------------------------|--------------------------------------------------------------------------------|--------------------------------------------------------------|---------------------------|
| <b>Deferred tax liability on account of:</b>                                      |                           |                                                                                |                                                              |                           |                                                                                |                                                              |                           |
| Depreciation and amortisation                                                     | 1,938                     | 74                                                                             | -                                                            | 1,864                     | (4)                                                                            | -                                                            | 1,868                     |
| Lease liabilities                                                                 | 7                         | 30                                                                             | -                                                            | -                         | -                                                                              | -                                                            | -                         |
| Equity instruments at fair value<br>through other comprehensive<br>income (FVOCI) | 23                        | -                                                                              | 9                                                            | 14                        | -                                                                              | (2)                                                          | 16                        |
| <b>Total</b>                                                                      | <b>1,968</b>              | <b>104</b>                                                                     | <b>9</b>                                                     | <b>1,878</b>              | <b>(4)</b>                                                                     | <b>(2)</b>                                                   | <b>1,884</b>              |
| <b>Deferred tax assets on account of:</b>                                         |                           |                                                                                |                                                              |                           |                                                                                |                                                              |                           |
| Lease liabilities                                                                 | -                         | -                                                                              | -                                                            | 23                        | (14)                                                                           | -                                                            | 37                        |
| Provision for doubtful debts /<br>deposits / advances / investment                | 1,104                     | 242                                                                            | -                                                            | 862                       | (144)                                                                          | -                                                            | 1,006                     |
| Employee benefits                                                                 | 154                       | 21                                                                             | 19                                                           | 114                       | 1                                                                              | (1)                                                          | 114                       |
| Provision for sales returns                                                       | 19                        | 6                                                                              | -                                                            | 13                        | 7                                                                              | -                                                            | 6                         |
| Unrealised profits on closing stock                                               | 20                        | 2                                                                              | -                                                            | 19                        | (11)                                                                           | -                                                            | 30                        |
| <b>Total</b>                                                                      | <b>1,297</b>              | <b>271</b>                                                                     | <b>19</b>                                                    | <b>1,031</b>              | <b>(161)</b>                                                                   | <b>(1)</b>                                                   | <b>1,193</b>              |
| <b>Net movement [provision/reversal]</b>                                          |                           | <b>(167)</b>                                                                   | <b>(10)</b>                                                  |                           | <b>157</b>                                                                     | <b>(1)</b>                                                   |                           |

## (C) Unused tax losses which arose on incurrence of business losses for which no deferred tax assets (DTA) has been created due to absence of reasonable certainty

(₹ in lakhs)

|                      | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|----------------------|-----------------------------|-----------------------------|
| Business loss        | 20,499                      | 21,589                      |
| DTA on business loss | 3,767                       | 3,816                       |

## 45 Other comprehensive income

(₹ in lakhs)

|                                                                                                          | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|----------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Items that will be reclassified to profit or loss</b>                                                 |                             |                             |
| Gains and losses arising from translating the financial<br>statements of foreign operations (net of tax) | 1,410                       | 470                         |
| <b>Items that will not be reclassified to profit or loss</b>                                             |                             |                             |
| Measurements of defined employee benefit plans<br>(net of tax)                                           | 90                          | 566                         |
| Equity instruments at fair value through other<br>comprehensive income (net of tax)                      | 25                          | (7)                         |
| <b>Total</b>                                                                                             | <b>1,525</b>                | <b>1,029</b>                |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**
**46 Fair value measurements**
**Financial instruments by category:**

(₹ in lakhs)

|                                                    | As at 31 March 2025                           |                                    |                | As at 31 March 2024                           |                                    |                |
|----------------------------------------------------|-----------------------------------------------|------------------------------------|----------------|-----------------------------------------------|------------------------------------|----------------|
|                                                    | Fair value through other comprehensive income | Fair value through profit and loss | Amortised cost | Fair value through other comprehensive income | Fair value through profit and loss | Amortised cost |
| <b>Financial assets</b>                            |                                               |                                    |                |                                               |                                    |                |
| Investments                                        | 366                                           | 6,003                              | -              | 332                                           | 4,063                              | -              |
| Trade receivables                                  | -                                             | -                                  | 25,087         | -                                             | -                                  | 17,567         |
| Other financial assets                             | -                                             | -                                  | 1,218          | -                                             | -                                  | 1,376          |
| Cash and cash equivalents                          | -                                             | -                                  | 6,246          | -                                             | -                                  | 6,496          |
| Bank balances other than cash and cash equivalents | -                                             | -                                  | 1,701          | -                                             | -                                  | 2,687          |
| Loans                                              | -                                             | -                                  | 88             | -                                             | -                                  | 98             |
| <b>Financial liabilities</b>                       |                                               |                                    |                |                                               |                                    |                |
| Borrowings                                         | -                                             | -                                  | 14,322         | -                                             | -                                  | 4,128          |
| Lease liabilities                                  | -                                             | -                                  | 2,708          | -                                             | -                                  | 2,416          |
| Other financial liabilities                        | -                                             | -                                  | 1,886          | -                                             | -                                  | 1,638          |
| Trade payables                                     | -                                             | -                                  | 7,283          | -                                             | -                                  | 6,574          |

**I. Fair value hierarchy**

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level as follows:

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in

level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

**II. Valuation techniques used to determine fair value**

Significant valuation techniques used to value financial instruments include:

- The fair values for investment in equity instrument are based on intrinsic value of the investee.
- The lease liability is initially measured at amortised cost at the present value of the future lease payments and are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Accordingly, these are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.
- Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, other current financial assets / liabilities and borrowings approximate their carrying amounts largely due to short term maturities of these instruments. They are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

## III. Financial assets and liabilities measured at fair value - recurring fair value measurement:

(₹ in lakhs)

|                                       | As at 31 March 2025 |         |         | As at 31 March 2024 |         |         |
|---------------------------------------|---------------------|---------|---------|---------------------|---------|---------|
|                                       | Level 1             | Level 2 | Level 3 | Level 1             | Level 2 | Level 3 |
| <b>Financial Assets</b>               |                     |         |         |                     |         |         |
| <b>Financial investments at FVTPL</b> |                     |         |         |                     |         |         |
| Quoted mutual funds investments       | 6,003               | -       | -       | 4,063               | -       | -       |
| <b>Financial investments at FVOCI</b> |                     |         |         |                     |         |         |
| Unquoted equity instruments           | -                   | -       | 366     | -                   | -       | 332     |

## IV. Reconciliation of level 3 fair value measurement:

(₹ in lakhs)

|                                                                 | 2024-25    | 2023-24 |
|-----------------------------------------------------------------|------------|---------|
| <b>At the beginning of the year</b>                             | <b>332</b> | 341     |
| Acquisitions                                                    | -          | -       |
| Disposals                                                       | -          | -       |
| Fair value change recognised through other comprehensive income | 34         | (9)     |
| <b>At the end of the year</b>                                   | <b>366</b> | 332     |

**Notes:**

- The above financial assets and liabilities are categorised under level 3 of fair value hierarchy.
- During the years mentioned above, there have been no transfers amongst the levels of hierarchy.

**47 Financial risk management**

The Group is exposed primarily to fluctuations in foreign currency risk, credit, liquidity and interest rate risk which may adversely impact the fair value of its financial instrument. The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by the Managing Board.

The Group's principal financial liabilities comprises of borrowings, lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade and other receivables, cash and bank balances, bank deposits and investments that derive directly from its operations.

The Group is exposed to foreign currency risk, credit risk, market risk and liquidity risk. The Group's senior management oversees the management of these risks.

**(A) Credit risk**

The Group is exposed to credit risk from its operating activities (primarily for trade receivables) and from its investing activities (deposits with banks and government and other financial instruments). The Group considers factors such as track record, size of institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Bank balances and deposits are held with only high rated banks and security deposits are placed majorly with government agencies. Hence, in these cases, the credit risk is negligible.

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counter-party,
- Financial or economic conditions that are expected to cause a significant change to the counter-party's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counter-party,
- Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the

receivable due. Where recoveries are made, these are recognized as income in the Consolidated Statement of Profit and Loss.

### a) Expected credit loss for trade receivables:

As at 31 March 2025

(₹ in lakhs)

|                         | Outstanding for following periods from due date of invoice |                    |                   |             |             |                   | Total  |
|-------------------------|------------------------------------------------------------|--------------------|-------------------|-------------|-------------|-------------------|--------|
|                         | Not due                                                    | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years |        |
| Gross trade receivables | 17,449                                                     | 7,005              | 457               | 568         | 290         | 388               | 26,157 |
| Expected loss rates     | 0.35%                                                      | -                  | -                 | 69.89%      | 77.59%      | 100.00%           |        |
| Expected credit loss    | 60                                                         | -                  | -                 | 397         | 225         | 388               | 1,070  |

As at 31 March 2024

(₹ in lakhs)

|                         | Outstanding for following periods from due date of invoice |                    |                   |             |             |                   | Total  |
|-------------------------|------------------------------------------------------------|--------------------|-------------------|-------------|-------------|-------------------|--------|
|                         | Not due                                                    | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years |        |
| Gross trade receivables | 6,727                                                      | 10,004             | 826               | 424         | 252         | 136               | 18,369 |
| Expected loss rates     | 0.65%                                                      | 2.33%              | -                 | 53.06%      | 64.94%      | 100.00%           |        |
| Expected credit loss    | 44                                                         | 233                | -                 | 225         | 164         | 136               | 802    |

### b) Movement in impairment allowance

(₹ in lakhs)

|                               | As at 31 March 2025 | As at 31 March 2024 |
|-------------------------------|---------------------|---------------------|
| Opening provision             | 802                 | 2,366               |
| Provision for doubtful debts  | 216                 | 483                 |
| Bad debts written off         | 52                  | (1,473)             |
| Excess provision written back | -                   | (574)               |
| <b>Closing provision</b>      | <b>1,070</b>        | <b>802</b>          |

### (B) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. For the Group, liquidity risk arises from obligations on account of financial liabilities – borrowings, lease liabilities, trade payables and other financial liabilities.

#### Liquidity risk management

The Group's corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by Group's senior management. Group Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

#### Maturities of non – derivative financial liabilities

As at 31 March 2025

(₹ in lakhs)

|                              | Within 1 year | 1 - 5 years  | Greater than 5 years | Total         |
|------------------------------|---------------|--------------|----------------------|---------------|
| <b>Financial liabilities</b> |               |              |                      |               |
| Borrowings                   | 11,640        | 2,409        | 273                  | 14,322        |
| Lease liabilities            | 221           | 908          | 1,579                | 2,708         |
| Other financial liabilities  | 1,851         | 35           | -                    | 1,886         |
| Trade payables               | 7,283         | -            | -                    | 7,283         |
| <b>Total</b>                 | <b>20,995</b> | <b>3,352</b> | <b>1,852</b>         | <b>26,199</b> |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

As at 31 March 2024

(₹ in lakhs)

|                              | Within 1 year | 1 - 5 years  | Greater than 5 years | Total         |
|------------------------------|---------------|--------------|----------------------|---------------|
| <b>Financial liabilities</b> |               |              |                      |               |
| Borrowings                   | 3,976         | 152          | -                    | 4,128         |
| Lease liabilities            | 363           | 1,128        | 925                  | 2,416         |
| Other financial liabilities  | 2,345         | 253          | 35                   | 2,633         |
| Trade payables               | 5,579         | -            | -                    | 5,579         |
| <b>Total</b>                 | <b>12,263</b> | <b>1,533</b> | <b>960</b>           | <b>14,756</b> |

**(C) Market risk****(i) Foreign currency risk**

The Group is exposed to foreign exchange risk on their receivables, payables which are held in USD, AED and EUR.

**Foreign currency risk management**

In respect of the foreign currency transactions, the Group does not hedge the exposures since the management believes that the same will be partly offset by the corresponding receivables and payables which will be in the nature of natural hedge.

The Group's exposure to foreign currency risk at the end of reporting period expressed in INR are as under:

(₹ in lakhs)

|                                                                | As at 31 March 2025 |              |           | As at 31 March 2024 |           |            |
|----------------------------------------------------------------|---------------------|--------------|-----------|---------------------|-----------|------------|
|                                                                | USD                 | AED          | EUR       | USD                 | AED       | EUR        |
| <b>Financial liabilities</b>                                   |                     |              |           |                     |           |            |
| Trade payables                                                 | 37                  | 179          | -         | -                   | -         | -          |
| Other financial liabilities                                    | -                   | -            | -         | -                   | -         | 12         |
| <b>Financial assets - current</b>                              |                     |              |           |                     |           |            |
| Trade receivables                                              | 1                   | -            | -         | 60                  | -         | 43         |
| Bank balances                                                  | -*                  | 17           | 93        | -*                  | 16        | 109        |
| <b>Net exposure to foreign currency assets / (liabilities)</b> | <b>(36)</b>         | <b>(162)</b> | <b>93</b> | <b>60</b>           | <b>16</b> | <b>140</b> |

\* Balance below rounding off norms

**Sensitivity to foreign currency risk**

The following table demonstrates the sensitivity in USD, AED and EUR with all other variables held constant. The below impact on the Group's profit before tax and other equity is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date:

(₹ in lakhs)

| Currencies | As at 31 March 2025 |                | As at 31 March 2024 |                |
|------------|---------------------|----------------|---------------------|----------------|
|            | Increase by 5%      | Decrease by 5% | Increase by 5%      | Decrease by 5% |
| USD        | (2.00)              | 2.00           | 3.00                | (3.00)         |
| AED        | (8.00)              | 8.00           | 0.80                | (0.80)         |
| EUR        | 5.00                | (5.00)         | 7.00                | (7.00)         |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### (ii) Interest rate risk

The Company's interest rate risk is mainly due to the borrowing acquired at floating interest rate .

The fixed rate borrowing are carried at amortised cost, hence they are not subject to interest rate risk since the carrying amount and future cash flows will not fluctuate because of change in market interest rates.

The Group's borrowing structure at the end of reporting period are as follows:

(₹ in lakhs)

|                          | 31 March 2025 | 31 March 2024 |
|--------------------------|---------------|---------------|
| Variable rate borrowings | 11,298        | 3,895         |
| Fixed rate borrowings    | 3,024         | 234           |
| <b>Total</b>             | <b>14,322</b> | <b>4,129</b>  |

### Sensitivity analysis

The table below summarizes the impact of increases/decreases of the interest rates on the Company's equity and Gain/(Loss) for the period. The analysis is based on the assumption that the interest rate has increased by 70 basis points or decreased by 70 basis points with all there variables held constant.

(₹ in lakhs)

| Interest rate               | Impact on profit before tax and other equity |               |
|-----------------------------|----------------------------------------------|---------------|
|                             | 31 March 2025                                | 31 March 2024 |
| Increase by 70 basis points | (79)                                         | (27)          |
| Decrease by 70 basis points | 79                                           | 27            |

### (iii) Price Risk

The Group is exposed to price risk from its investment in mutual funds measured at fair value through profit and loss.

The table below summarizes the impact of increases/decreases of the net asset value of mutual funds on the Group's equity and Gain/(Loss) for the period. The analysis is based on the assumption that the net asset value has increased by 5% or decreased by 5% with all other variables held constant, and that the Group's investments moved in line with the net asset value.

(₹ in lakhs)

| Sensitivity                              | 31 March 2025 | 31 March 2024 |
|------------------------------------------|---------------|---------------|
| Impact of 5% increase in net asset value | 300           | 203           |
| Impact of 5% decrease in net asset value | (300)         | (203)         |

## 48 Capital Management

### (i) Risk management

The Group's objectives when managing capital are as below -

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Group monitors its capital by using gearing ratio, which is net debt divided by total equity. Net debt includes non-current and current borrowings net of cash and cash equivalents and bank balances other than cash and cash equivalent and total equity comprises of equity share capital and other equity.

The capital composition is as follows:

(₹ in lakhs)

|                                                         | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------------------------------|------------------------|------------------------|
| Gross debt                                              | 17,030                 | 6,544                  |
| Less: Cash and cash equivalents and other bank balances | (8,533)                | (9,898)                |
| <b>Net debt (A)</b>                                     | <b>8,497</b>           | <b>(3,354)</b>         |
| <b>Equity (B)</b>                                       | <b>1,20,639</b>        | <b>1,10,023</b>        |
| <b>Gearing ratio (in times) (A / B)</b>                 | <b>0.07</b>            | <b>N.A.</b>            |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

## (ii) Loan covenants

**Everest Kanto Cylinder Limited, India:**

Under the terms of borrowing facilities, the Company is required to comply with the performance covenants. The Company has complied with these covenants through out the period.

**CP Industries Holdings Inc. USA:**

This covenant is defined as a Debt Service Coverage Ratio of not less than 1:1 which is calculated on a trailing 12-month basis beginning 31 March 2025 and on 31 March of each year thereafter. Debt Service Coverage Ratio is to be calculated with the Company's net income, plus, without duplication and to the extent deducted in determining such net income, (i) interest expense, (ii) income tax expense, and (iii) depreciation and amortization expense as the numerator, and the denominator of which is the sum of principal and interest expense for all debt obligations. As of 31 March 2025, the Company was in compliance with all financial covenants.

## (iii) Net debt reconciliation

(₹ in lakhs)

|                                                   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------------------------|------------------------|------------------------|
| Cash and Cash equivalents and other bank balances | 8,533                  | 9,898                  |
| Non- current borrowings                           | (2,682)                | (152)                  |
| Current borrowings                                | (11,640)               | (3,976)                |
| Lease liabilities (including current portion)     | (2,708)                | (2,416)                |
| <b>Net Debt</b>                                   | <b>(8,497)</b>         | <b>3,354</b>           |

(₹ in lakhs)

|                                          | Cash and Cash<br>equivalents<br>and other<br>bank balances | Borrowings<br>(excluding<br>working<br>capital) | Working<br>capital | Lease<br>liabilities | Total          |
|------------------------------------------|------------------------------------------------------------|-------------------------------------------------|--------------------|----------------------|----------------|
| <b>Net Debt as at 1 April 2023</b>       | <b>5,031</b>                                               | <b>(237)</b>                                    | <b>(9,334)</b>     | <b>(2,357)</b>       | <b>(6,897)</b> |
| Cash flows                               | 4,867                                                      | 27                                              | 5,454              | 409                  | 10,757         |
| Lease (reduction)/addition               | -                                                          | -                                               | -                  | (450)                | (450)          |
| Interest expense                         | -                                                          | (18)                                            | (560)              | (185)                | (763)          |
| Interest paid                            | -                                                          | 18                                              | 540                | 185                  | 743            |
| <b>Non cash adjustment</b>               |                                                            |                                                 |                    |                      |                |
| Foreign currency translation adjustments | -                                                          | 58                                              | (76)               | (20)                 | (38)           |
| <b>Net Debt as at 31 March 2024</b>      | <b>9,898</b>                                               | <b>(152)</b>                                    | <b>(3,976)</b>     | <b>(2,418)</b>       | <b>3,352</b>   |
| Cash flows                               | (1,365)                                                    | (2,542)                                         | (7,574)            | 350                  | (11,131)       |
| Lease (reduction)/addition/adjustments   | -                                                          | -                                               | -                  | (624)                | (624)          |
| Interest expense                         | -                                                          | (23)                                            | (1,105)            | (220)                | (1,348)        |
| Interest paid                            | -                                                          | 23                                              | 1,087              | 220                  | 1,330          |
| <b>Non cash adjustment</b>               |                                                            |                                                 |                    |                      |                |
| Foreign currency translation adjustments | -                                                          | 12                                              | (72)               | (16)                 | (76)           |
| <b>Net Debt as at 31 March 2025</b>      | <b>8,533</b>                                               | <b>(2,682)</b>                                  | <b>(11,640)</b>    | <b>(2,708)</b>       | <b>(8,497)</b> |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**
**(iv) Dividend on equity shares**

(₹ in lakhs)

|                                                                                                                                                                                                                                                                                            | <b>As at<br/>31 March 2025</b> | <b>As at<br/>31 March 2024</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|--------------------------------|
| <b>(i) Equity shares</b>                                                                                                                                                                                                                                                                   |                                |                                |
| Final dividend paid during the year for FY 2023-24 of ₹ 0.70 per equity share (31 March 2024: For FY 2022-23: ₹ 0.70 per equity share)                                                                                                                                                     | <b>785</b>                     | 785                            |
| <b>Dividends not recognised at the end of the reporting period</b>                                                                                                                                                                                                                         |                                |                                |
| The Board of Directors have recommended a final dividend of ₹ 0.70 per equity share for the year ended 31 March 2025 (31 March 2024: ₹ 0.70 per equity share), (face value of ₹ 2 each), subject to necessary approval by the members in the ensuing Annual General Meeting of the Company | <b>785</b>                     | 785                            |

**49 Related party disclosures:**

As per Ind AS 24, 'Related Party Disclosures', disclosure of transactions with the related parties are given below:

**(i) Names of related parties and description of relationship with the Group**

|                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Non executive directors and other related parties where promoters, directors and their relatives exercise significant influence (with whom transactions have taken place during the year)</b> | Mr. Ghanshyam Karkera<br>Mr. M N Sudhindra Rao (upto 2 June 2024)<br>Ms. Uma Acharya<br>Dr. Vijayanti Pandit<br>Mr. Ramakrishnan Ramanathan (w.e.f. 3 June 2024)<br>Everest Kanto Investment and Finance Private Limited<br>Khurana Gases Private Limited<br>Medical Engineers (India) Limited<br>Khurana Fabrication Industries Private Limited<br>Khurana Exports Private Limited<br>Olive Steel Private Limited<br>Royal Mirage Engineers Pvt. Ltd. |
| <b>Key Management Personnel</b>                                                                                                                                                                  | Mr. Pushkar Khurana - Chairman and Executive Director<br>Mr. Puneet Khurana - Managing Director<br>Mr. Sanjiv Kapur - Chief Financial Officer<br>Mr. Vishal Totla - Company Secretary (w.e.f. 15 May 2023)                                                                                                                                                                                                                                             |
| <b>Relatives of Key Management Personnel (with whom transactions have taken place during the year)</b>                                                                                           | Ms. Suman Khurana                                                                                                                                                                                                                                                                                                                                                                                                                                      |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

## (ii) Transactions with related parties during the year:

(₹ in lakhs)

|                                                | Non executive directors and other related parties where promoters, directors and their relatives exercise significant influence |                          | Key management personnel |                          | Relatives of key management personnel |                          |
|------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|---------------------------------------|--------------------------|
|                                                | Year ended 31 March 2025                                                                                                        | Year ended 31 March 2024 | Year ended 31 March 2025 | Year ended 31 March 2024 | Year ended 31 March 2025              | Year ended 31 March 2024 |
| <b>Sale of goods</b>                           |                                                                                                                                 |                          |                          |                          |                                       |                          |
| Medical Engineers (India) Limited              | 368                                                                                                                             | 524                      | -                        | -                        | -                                     | -                        |
| Royal Mirage Engineers Pvt. Ltd.               | 40                                                                                                                              | -                        | -                        | -                        | -                                     | -                        |
| <b>Remuneration</b>                            |                                                                                                                                 |                          |                          |                          |                                       |                          |
| Mr. Pushkar Khurana                            | -                                                                                                                               | -                        | 167                      | 135                      | -                                     | -                        |
| Mr. Puneet Khurana                             | -                                                                                                                               | -                        | 275                      | 250                      | -                                     | -                        |
| Mr. Vishal Totla                               | -                                                                                                                               | -                        | 24                       | 18                       | -                                     | -                        |
| Mr. Sanjiv Kapur                               | -                                                                                                                               | -                        | 77                       | 70                       | -                                     | -                        |
| Ms. Suman Khurana                              | -                                                                                                                               | -                        | -                        | -                        | 30                                    | 30                       |
| <b>Sitting fees</b>                            |                                                                                                                                 |                          |                          |                          |                                       |                          |
| Mr. Ghanshyam Karkera                          | 12                                                                                                                              | 11                       | -                        | -                        | -                                     | -                        |
| Ms. Uma Acharya                                | 8                                                                                                                               | 8                        | -                        | -                        | -                                     | -                        |
| Mr. M N Sudhindra Rao                          | 2                                                                                                                               | 7                        | -                        | -                        | -                                     | -                        |
| Dr. Vijayanti Pandit                           | 5                                                                                                                               | 5                        | -                        | -                        | -                                     | -                        |
| Mr. Ramakrishnan Ramanathan                    | 6                                                                                                                               | -                        | -                        | -                        | -                                     | -                        |
| <b>Commission to directors</b>                 |                                                                                                                                 |                          |                          |                          |                                       |                          |
| Mr. Pushkar Khurana                            | -                                                                                                                               | -                        | 50                       | 54                       | -                                     | -                        |
| Mr. Puneet Khurana                             | -                                                                                                                               | -                        | 50                       | 54                       | -                                     | -                        |
| Ms. Uma Acharya                                | 5                                                                                                                               | 5                        | -                        | -                        | -                                     | -                        |
| Mr. M N Sudhindra Rao                          | 1                                                                                                                               | 5                        | -                        | -                        | -                                     | -                        |
| Mr. Ghanshyam Karkera                          | 5                                                                                                                               | 5                        | -                        | -                        | -                                     | -                        |
| Dr. Vijayanti Pandit                           | 5                                                                                                                               | 5                        | -                        | -                        | -                                     | -                        |
| Mr. Ramakrishnan Ramanathan                    | 4                                                                                                                               | -                        | -                        | -                        | -                                     | -                        |
| <b>Rent expenses</b>                           |                                                                                                                                 |                          |                          |                          |                                       |                          |
| Khurana Fabrication Industries Private Limited | 17                                                                                                                              | 17                       | -                        | -                        | -                                     | -                        |
| Khurana Exports Private Limited                | 4                                                                                                                               | 31                       | -                        | -                        | -                                     | -                        |
| Olive Steel Private Limited                    | 63                                                                                                                              | 26                       | -                        | -                        | -                                     | -                        |
| Mr. Pushkar Khurana                            | -                                                                                                                               | -                        | 4                        | 4                        | -                                     | -                        |
| <b>Other expenses</b>                          |                                                                                                                                 |                          |                          |                          |                                       |                          |
| Khurana Exports Private Limited                | -                                                                                                                               | 7                        | -                        | -                        | -                                     | -                        |
| <b>Reimbursement of expenses</b>               |                                                                                                                                 |                          |                          |                          |                                       |                          |
| Mr. Puneet Khurana                             | -                                                                                                                               | -                        | 1                        | 2                        | -                                     | -                        |
| Ms. Uma Acharya                                | _*                                                                                                                              | _*                       | -                        | -                        | -                                     | -                        |
| Mr. M N Sudhindra Rao                          | -                                                                                                                               | _*                       | -                        | -                        | -                                     | -                        |
| Mr. Ghanshyam Karkera                          | _*                                                                                                                              | _*                       | -                        | -                        | -                                     | -                        |
| Dr. Vijayanti Pandit                           | _*                                                                                                                              | _*                       | -                        | -                        | -                                     | -                        |
| Mr. Ramakrishnan Ramanathan                    | _*                                                                                                                              | -                        | -                        | -                        | -                                     | -                        |

\* Balance below rounding off norms

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**
**(iii) Balances of related parties**

(₹ in lakhs)

| <b>Payables (Trade payables and other liabilities)</b> |   |    |    |    |   |   |
|--------------------------------------------------------|---|----|----|----|---|---|
| Mr. Pushkar Khurana                                    | - | -  | 67 | 65 | - | - |
| Mr. Puneet Khurana                                     | - | -  | 57 | 61 | - | - |
| Mr. Vishal Totla                                       | - | -  | 2  | 1  | - | - |
| Mr. Sanjiv Kapur                                       | - | -  | 4  | 4  | - | - |
| Ms. Uma Acharya                                        | 5 | 5  | -  | -  | - | - |
| Mr. M N Sudhindra Rao                                  | 1 | 5  | -  | -  | - | - |
| Mr. Ghanshyam Karkera                                  | 6 | 6  | -  | -  | - | - |
| Dr. Vijayanti Pandit                                   | 5 | 5  | -  | -  | - | - |
| Mr. Ramakrishnan Ramanathan                            | 4 | -  | -  | -  | - | - |
| Ms. Suman Khurana                                      | - | -  | -  | -  | 2 | 2 |
| <b>Other advances</b>                                  |   |    |    |    |   |   |
| Mr. Puneet Khurana                                     | - | -  | -  | 10 | - | - |
| <b>Revenue received in advance</b>                     |   |    |    |    |   |   |
| Medical Engineers (India) Limited                      | - | 23 | -  | -  | - | - |

(₹ in lakhs)

|                                                                                                                                                                                                                                               | Non Executive directors and other related parties where promoters, directors and their relatives exercise significant influence |                     | Key management personnel |                     | Relatives of key management personnel |                     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------------|---------------------|---------------------------------------|---------------------|
|                                                                                                                                                                                                                                               | As at 31 March 2025                                                                                                             | As at 31 March 2024 | As at 31 March 2025      | As at 31 March 2024 | As at 31 March 2025                   | As at 31 March 2024 |
| <b>Receivables</b>                                                                                                                                                                                                                            |                                                                                                                                 |                     |                          |                     |                                       |                     |
| Royal Mirage Engineers Private Limited                                                                                                                                                                                                        | 48                                                                                                                              | -                   | -                        | -                   | -                                     | -                   |
| <b>Deposit receivable</b>                                                                                                                                                                                                                     |                                                                                                                                 |                     |                          |                     |                                       |                     |
| Khurana Exports Private Limited                                                                                                                                                                                                               | 10                                                                                                                              | 10                  | -                        | -                   | -                                     | -                   |
| <b>Personal guarantees from promoter directors for borrowings by the Holding Company [Refer note (a) below]</b><br><b>Assets pledged by a subsidiary's director for outstanding borrowings by a subsidiary company [Refer note (b) below]</b> |                                                                                                                                 |                     |                          |                     |                                       |                     |

**Notes:**

- Personal guarantees given to banks for working capital loans with sanctioned limit of ₹ 15,700 lakhs as at 31 March 2025 (₹ 16,160 lakhs as at 31 March 2024) by promoter, directors against which ₹ 8,469 lakhs was outstanding as at 31 March 2025 (₹ 1,118 lakhs as at 31 March 2024).
- Assets pledged to a bank by a subsidiary's director for working capital loan of Nil as at 31 March 2025 (₹ 1,622 lakhs as at 31 March 2024) against which Nil (Nil as at 31 March 2024) were outstanding as at the end of the year.
- Foreign currency balances are restated using closing rate as at balance sheet date.
- All the transactions stated above with related parties are on arm's length basis.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

## (iv) Compensation to Key Management Personnel\*

(₹ in lakhs)

|                              | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|------------------------------|-----------------------------|-----------------------------|
| Short-term employee benefits | 521                         | 451                         |
| Post-employment benefits     | 22                          | 22                          |
| Commission                   | 100                         | 108                         |
| <b>Total compensation</b>    | <b>643</b>                  | <b>581</b>                  |

\* The aforesaid amounts do not include amount in respect of gratuity and compensated absences as the same is not determined for individual employees.

## 50 Contingent liabilities, capital and other commitments

(₹ in lakhs)

|                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | As at<br>31 March 2025         | As at<br>31 March 2024         |
|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|--------------------------------|
| <b>(A) Contingent liabilities:</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                |                                |
| (i)                                | Income tax matters under dispute                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 1,508                          | 1,443                          |
| (ii)                               | Value added tax                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 7                              | 7                              |
| (iii)                              | Excise duty and interest thereon                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 174                            | 131                            |
| (iv)                               | Goods and service tax and interest & penalty thereon                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 35,210                         | 106                            |
| (v)                                | Claims against Holding Company not acknowledged as debts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 88                             | 54                             |
| (vi)                               | CP Industries Holdings Inc. USA, a subsidiary of the Holding Company, is exposed to environmental risks. The subsidiary has various policies and procedures to avoid environmental contamination and to mitigate the risks of environmental contamination. The subsidiary conducts periodic reviews to identify changes in its environmental risk profile. Liabilities are accrued when environmental assessments and/or clean-ups are probable and the costs can be reasonably estimated. The subsidiary is not aware of any environmental claims existing at 31 March 2025. However, there can be no assurance that current regulatory requirements will not change or unknown past non-compliance with environmental laws will not be discovered on the subsidiary's properties.<br>Future cash flows in respect of the above are determinable only on pronouncements of judgments / decisions pending with various forums / authorities.<br>The Group does not expect any reimbursement in respect of the above matters. | <b>Amount not determinable</b> | <b>Amount not determinable</b> |
| <b>(B) Commitments:</b>            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                |                                |
|                                    | Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 924                            | 752                            |

## 51 Employee benefits

## (A) Defined contribution plan:

Contribution to defined contribution plans, recognised as expense for the year in the Consolidated statement of profit and loss by the Holding Company are as under :

(₹ in lakhs)

|                                                           | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-----------------------------------------------------------|-----------------------------|-----------------------------|
| Employer contribution to provident fund                   | 204                         | 170                         |
| Employer contribution to employees state insurance scheme | 7                           | 10                          |
| Employer contribution to labour welfare fund              | 1                           | 1                           |
| <b>Total</b>                                              | <b>212</b>                  | <b>181</b>                  |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**
**(B) Defined benefit plan:**
**Everest Kanto Cylinder Limited, India - Gratuity (funded scheme)**

The Holding Company provides gratuity benefit for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Holding Company makes contributions to recognised funds in India.

(₹ in lakhs, unless otherwise stated)

|                                                                                |  | <b>Year ended<br/>31 March 2025</b> | <b>Year ended<br/>31 March 2024</b> |
|--------------------------------------------------------------------------------|--|-------------------------------------|-------------------------------------|
| <b>(i) Actuarial assumptions:</b>                                              |  | <b>IALM<br/>(2012-14) ult</b>       | <b>IALM<br/>(2012-14) ult</b>       |
| Mortality table                                                                |  |                                     |                                     |
| Discount rate (%) (per annum)                                                  |  | <b>6.70%</b>                        | 7.20%                               |
| Rate of increase in compensation (%) (per annum)                               |  | <b>7.00%</b>                        | 7.00%                               |
| <b>Withdrawal rate (%)</b>                                                     |  |                                     |                                     |
| Age 21-30 years                                                                |  | <b>10.00%</b>                       | 10.00%                              |
| Age 31-40 years                                                                |  | <b>5.00%</b>                        | 5.00%                               |
| Age 41-57 years                                                                |  | <b>3.00%</b>                        | 3.00%                               |
| <b>(ii) Assets information (%)</b>                                             |  |                                     |                                     |
| Insurer managed funds                                                          |  | <b>100.00%</b>                      | 100.00%                             |
| <b>(iii) Changes in the present value of defined benefit obligation (DBO)</b>  |  |                                     |                                     |
| Present value of obligation at the beginning of the year                       |  | <b>433</b>                          | 401                                 |
| Interest expense                                                               |  | <b>29</b>                           | 28                                  |
| Current service cost                                                           |  | <b>44</b>                           | 40                                  |
| Actuarial loss / (gain)                                                        |  | <b>75</b>                           | (6)                                 |
| Benefits paid                                                                  |  | <b>(55)</b>                         | (30)                                |
| <b>Present value of obligation at the end of the year</b>                      |  | <b>526</b>                          | 433                                 |
| <b>(iv) Changes in the fair value of plan assets</b>                           |  |                                     |                                     |
| Fair value of plan assets at beginning of the year                             |  | <b>301</b>                          | 218                                 |
| Interest income                                                                |  | <b>21</b>                           | 16                                  |
| Contributions                                                                  |  | <b>42</b>                           | 96                                  |
| Benefits paid                                                                  |  | <b>(55)</b>                         | (30)                                |
| Actuarial (loss) / gain                                                        |  | <b>(1)</b>                          | 1                                   |
| <b>Fair value of plan assets at the end of the year</b>                        |  | <b>308</b>                          | 301                                 |
| <b>(v) Assets and liabilities recognised in the Consolidated Balance Sheet</b> |  |                                     |                                     |
| Present value of the defined benefit obligation at the end of the year         |  | <b>526</b>                          | 433                                 |
| Less: Fair value of plan assets at the end of the year                         |  | <b>(308)</b>                        | (300)                               |
| <b>Net liability recognised in the Consolidated Balance Sheet</b>              |  | <b>218</b>                          | 133                                 |
| <b>Recognised under provisions:</b>                                            |  |                                     |                                     |
| Current                                                                        |  | <b>-</b>                            | -                                   |
| Non-current                                                                    |  | <b>218</b>                          | 133                                 |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

(₹ in lakhs, unless otherwise stated)

|        |                                                                                                               | Year ended<br>31 March 2024 | Year ended<br>31 March 2023 |
|--------|---------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| (vi)   | <b>Expenses recognised in the Consolidated Statement of Profit and Loss</b>                                   |                             |                             |
|        | Current service cost                                                                                          | 44                          | 40                          |
|        | Interest expense (net)                                                                                        | 8                           | 12                          |
|        | <b>Net gratuity cost recognised during the year in the Consolidated Statement of Profit and Loss</b>          | <b>52</b>                   | <b>52</b>                   |
|        | Included in note 40 'Employee benefits expense'                                                               |                             |                             |
| (vii)  | <b>Expenses recognised in Other comprehensive income / (loss)</b>                                             |                             |                             |
|        | Actuarial gain / (loss) on remeasurements of defined employee benefit plans                                   | (75)                        | 6                           |
|        | <b>Total remeasurements of defined employee benefit plans recognised in Other comprehensive income/(loss)</b> | <b>(75)</b>                 | <b>6</b>                    |
| (viii) | <b>Reconciliation of net asset / (liability) recognised:</b>                                                  |                             |                             |
|        | Net asset / (liability) recognised at the beginning of the period                                             | (133)                       | (183)                       |
|        | Company contributions                                                                                         | 42                          | 96                          |
|        | Actuarial gain / (loss)                                                                                       | (75)                        | 6                           |
|        | Expenses recognised at the end of period                                                                      | (52)                        | (52)                        |
|        | <b>Net liability recognised at the end of the period</b>                                                      | <b>(218)</b>                | <b>(133)</b>                |

**(ix) Sensitivity Analysis:**

|  |                                                              | As at 31 March 2025 |          | As at 31 March 2024 |          |
|--|--------------------------------------------------------------|---------------------|----------|---------------------|----------|
|  |                                                              | Decrease            | Increase | Decrease            | Increase |
|  | Impact of increase in 50 bps on DBO (discount rate)          | 3.69%               | -        | 3.78%               | -        |
|  | Impact of decrease in 50 bps on DBO (discount rate)          | -                   | 3.96%    | -                   | 4.05%    |
|  | Impact of increase in 50 bps on DBO (salary escalation rate) | -                   | 3.86%    | -                   | 3.95%    |
|  | Impact of decrease in 50 bps on DBO (salary escalation rate) | 3.63%               | -        | 3.71%               | -        |

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumptions while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognised in the Consolidated balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

**(x) Number of employees**

(in numbers)

|  |                                                                                                                                                | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
|  | Active members                                                                                                                                 | 756                         | 651                         |
|  | The Holding Company expects to contribute around ₹ 40 lakhs (FY 2023-24 : ₹ 40 lakhs) to the funded plans in next financial year for gratuity. |                             |                             |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**
**(xi) Maturity analysis of projected benefit obligation (undiscounted):**

(₹ in lakhs)

| Year         | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------|-----------------------------|-----------------------------|
| 1            | 87                          | 51                          |
| 2            | 47                          | 49                          |
| 3            | 49                          | 41                          |
| 4            | 61                          | 48                          |
| 5            | 44                          | 52                          |
| 6            | 20                          | 38                          |
| 7            | 61                          | 17                          |
| 8            | 41                          | 54                          |
| 9            | 33                          | 35                          |
| 10 and above | 555                         | 495                         |

**(xii) Description of risk exposures**

Valuations are performed on certain basic set of pre-determined assumptions which may vary over time. Thus, the Group is exposed to various risks in providing the above benefit which are as follows:

**Interest rate risk:** The plan exposes the Holding Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of liability (as shown in financial statements).

**Liquidity risk:** This is the risk that the Holding Company is not able to meet the short term benefit payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

**Salary escalation risk:** The present value of the above benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Demographic risk:** The Holding Company has used certain mortality and attrition assumptions in valuation of the liability. The Holding Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

**Regulatory risk:** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts.

**Asset liability mismatching or market Risk:** The duration of the liability is longer compared to duration of assets exposing the company to market risks for volatilities/fall in interest rate.

**Investment risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

- (C) In case of Holding Company, the obligation of compensated absences is recognised in the Consolidated Statement of Profit and Loss for the year ended 31 March 2025 as ₹ 61 lakhs (31 March 2024: ₹ 30 lakhs) based on the actuarial valuation.

(₹ in lakhs)

|                        | As at<br>31 March 2025 | As at<br>31 March 2024 |
|------------------------|------------------------|------------------------|
| Current provisions     | 32                     | 27                     |
| Non-current provisions | 158                    | 136                    |
| <b>Total</b>           | <b>190</b>             | <b>163</b>             |

**(D) CP Industries Holdings Inc., USA - Defined benefit pension plan**

The subsidiary has a non-contributory defined benefit pension plan covering all union employees hired prior to 1 June 2006. The benefits are based on years of service and the applicable compensation level under the plan. The subsidiary's funding policy is to fund pension cost as determined by actuarial valuation. Contributions are intended to provide not only for benefits attributable to service to date but also for those expected to be earned in future.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(₹ in lakhs, unless otherwise stated)

|       |                                                                                                                                                                                                                                                                                                                                  | Year ended<br>31 March 2025                          | Year ended<br>31 March 2024                          |
|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|
| (i)   | <b>Actuarial assumptions</b><br>Discount rate (%) (per annum)<br>Expected rate of return (per annum)                                                                                                                                                                                                                             | 5.15%<br>5.00%                                       | 4.95%<br>5.00%                                       |
| (ii)  | <b>Changes in the present value of defined benefit obligation (DBO)</b><br>Present value of obligation at the beginning of the year<br>Interest expense<br>Current service cost<br>Actuarial loss/ (gain)<br>Benefits paid<br>Foreign exchange (gain) / loss<br><b>Present value of obligation at the end of the year</b>        | 4,257<br>197<br>19<br>188<br>(271)<br>(660)<br>3,730 | 4,248<br>201<br>18<br>(60)<br>(287)<br>137<br>4,257  |
| (iii) | <b>Changes in the fair value of plan assets</b><br>Fair value of plan assets at beginning of the year<br>Interest income<br>Contributions<br>Benefits paid<br>Actuarial gain / (loss)<br>Foreign exchange gain / (loss)<br><b>Fair value of plan assets at the end of the year</b>                                               | 3,401<br>(168)<br>145<br>(271)<br>356<br>91<br>3,554 | 2,864<br>(143)<br>402<br>(287)<br>521<br>44<br>3,401 |
| (iv)  | <b>Assets and liabilities recognised in the Consolidated Balance Sheet</b><br>Present value of the defined benefit obligation at the end of the year<br>Less: Fair value of plan assets at the end of the year<br>Net liability recognised<br><b>Recognised under provisions</b><br>Current provisions<br>Non-current provisions | 3,730<br>(3,554)<br>176<br>-<br>176                  | 4,257<br>(3,401)<br>856<br>-<br>856                  |
| (v)   | <b>Expenses recognised in the Consolidated Statement of Profit and Loss</b><br>Current service cost<br>Net interest expense<br>Net amortization and deferral - prior period<br><b>Net defined benefit pension costs recognised during the year</b><br>Included in note 40 'Employee benefits expense'                            | 19<br>29<br>-<br>48                                  | 18<br>58<br>60<br>136                                |
| (vi)  | <b>Plan assets</b><br>Pooled separate account*                                                                                                                                                                                                                                                                                   | 3,554                                                | 3,401                                                |
|       | <b>Total</b>                                                                                                                                                                                                                                                                                                                     | <b>3,554</b>                                         | <b>3,401</b>                                         |

\* The pooled separate account represent an insurance contract under which plan assets are administered through pooled funds. The pooled separate account portfolio may include investments in money market instruments, mutual funds, common stocks and government and corporate bonds and notes. At 31 March 2025 and 2024 substantially all investments in the pooled separate account were invested in twenty-one diversified mutual funds. Net asset value is based on the value of the underlying assets owned by the fund, minus its liabilities and then divided by the number of shares outstanding as provided by the investment account manager and therefore the pooled separate account is classified in Level 2 of the fair value hierarchy. There are no unfunded commitments or redemption restrictions relating to the pooled separate accounts.

Mutual funds, equity securities, government bonds, and corporate bonds are traded in active markets and valued based on their quoted fair value by independent pricing vendors (Level 2 inputs under the fair value hierarchy).

The overall investment policy for the plan assets is to produce a total return commensurate with the portfolio's risk, the constraints of funding on-going plan benefit and expense requirements and the current opportunities in the investment market. The subsidiary's expected rate of return on plan assets is determined by the plan's historical returns and the targeted mix of investments.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**
**(vii) Maturity analysis of projected benefit obligation:**

(₹ in lakhs)

| Year        | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-------------|-----------------------------|-----------------------------|
| 1           | 317                         | 325                         |
| 2           | 311                         | 313                         |
| 3           | 309                         | 308                         |
| 4           | 316                         | 306                         |
| 5           | 315                         | 313                         |
| 6 and above | 1,553                       | 1,550                       |

**(E) CP Industries Holdings Inc., USA - Post retirement benefits**

The Company has a post-retirement plan to provide certain post retirement benefits for those employees identified in the current collective bargaining agreement. The benefits are not salary based. In general, for measurement purposes, an 10% annual rate of increase in the per capita cost of covered health benefits was assumed as of the measurement date decreasing to 7% over the following eight-year period and remaining at that level until 2030.

(₹ in lakhs, unless otherwise stated)

|                                                                                 |  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---------------------------------------------------------------------------------|--|-----------------------------|-----------------------------|
| <b>(i) Actuarial assumptions</b>                                                |  |                             |                             |
| Discount rate (%) (per annum)                                                   |  | 5.05%                       | 5.00%                       |
| <b>(ii) Changes in the present value of defined benefit obligation (DBO)</b>    |  |                             |                             |
| Present value of obligation at the beginning of the year                        |  | 104                         | 117                         |
| Interest expense                                                                |  | 5                           | 5                           |
| Current service cost                                                            |  | 1                           | 1                           |
| Actuarial (gain) / loss                                                         |  | 22                          | 21                          |
| Benefits paid                                                                   |  | (9)                         | (9)                         |
| Foreign exchange loss                                                           |  | (32)                        | (31)                        |
| Present value of obligation at the end of the year                              |  | 90                          | 104                         |
| <b>(iii) Changes in the fair value of plan assets</b>                           |  |                             |                             |
| Fair value of plan assets                                                       |  | -                           | -                           |
| <b>(iv) Assets and liabilities recognised in the Consolidated Balance Sheet</b> |  |                             |                             |
| Present value of the defined benefit obligation at the end of the year          |  | 90                          | 104                         |
| Less: Fair value of plan assets at the end of the year                          |  | -                           | -                           |
| Net liability recognised                                                        |  | 90                          | 104                         |
| <b>Recognised under provisions</b>                                              |  |                             |                             |
| Current provisions                                                              |  | 1                           | 1                           |
| Non-current provisions                                                          |  | 89                          | 103                         |
| <b>(v) Expenses recognised in the Consolidated Statement of Profit and Loss</b> |  |                             |                             |
| Current service cost                                                            |  | 1                           | 1                           |
| Net interest expense                                                            |  | 5                           | 5                           |
| Net amortization and deferral - prior period                                    |  | (32)                        | (32)                        |
| Net post retirement plan costs recognised during the year                       |  | (27)                        | (27)                        |
| Included in note 40 'Employee benefits expense'                                 |  |                             |                             |
| <b>(vi) Maturity analysis of projected benefit obligation:</b>                  |  |                             |                             |
| Year 1                                                                          |  | 13                          | 14                          |
| Year 2                                                                          |  | 10                          | 14                          |
| Year 3                                                                          |  | 11                          | 11                          |
| Year 4                                                                          |  | 8                           | 12                          |
| Year 5                                                                          |  | 10                          | 9                           |
| Year 6 and above                                                                |  | 36                          | 44                          |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**
**(F) EKC International FZE - Provision for Employee Benefits**

(₹ in lakhs)

|                                     | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------------------------|------------------------|------------------------|
| Compensated absences                | 143                    | 194                    |
| Post-retirement benefits - Gratuity | 113                    | 153                    |
| <b>Total</b>                        | <b>256</b>             | <b>347</b>             |

**52 (a) For Disclosures mandated by Schedule III of Companies Act 2013, by way of additional information, refer below:**

(₹ in lakhs)

|                                                                   | Country of incorporation / Place of business | % of ownership interest | Net Assets i.e. total assets minus total liabilities |          | Share in profit/(loss)        |        | Share in other comprehensive income/(loss)               |        | Share in total comprehensive income for the year  |        |
|-------------------------------------------------------------------|----------------------------------------------|-------------------------|------------------------------------------------------|----------|-------------------------------|--------|----------------------------------------------------------|--------|---------------------------------------------------|--------|
|                                                                   |                                              |                         | As a % of consolidated net assets                    | Amount   | As a % of consolidated profit | Amount | As a % of consolidated other comprehensive income/(loss) | Amount | As a % of consolidated total comprehensive income | Amount |
| <b>Everest Kanto Cylinder Limited</b>                             | <b>India</b>                                 |                         |                                                      |          |                               |        |                                                          |        |                                                   |        |
| 31 March 2025                                                     |                                              |                         | 62.72%                                               | 76,794   | 54.54%                        | 5,330  | (2.03%)                                                  | (31)   | 46.91%                                            | 5,299  |
| 31 March 2024                                                     |                                              |                         | 64.06%                                               | 70,478   | 55.18%                        | 5,386  | (0.18%)                                                  | (2)    | 49.90%                                            | 5,384  |
| <b>Subsidiaries</b>                                               |                                              |                         |                                                      |          |                               |        |                                                          |        |                                                   |        |
| <b>EKC International FZE</b>                                      | <b>United Arab</b>                           | <b>100%</b>             |                                                      |          |                               |        |                                                          |        |                                                   |        |
| 31 March 2025                                                     |                                              |                         | 59.79%                                               | 73,212   | 4.41%                         | 431    | -                                                        | -      | 3.82%                                             | 431    |
| 31 March 2024                                                     |                                              |                         | 64.51%                                               | 70,979   | 17.22%                        | 1,681  | -                                                        | -      | 15.58%                                            | 1,681  |
| <b>CP Industries Holdings, Inc.</b>                               | <b>United States of America</b>              | <b>100%</b>             |                                                      |          |                               |        |                                                          |        |                                                   |        |
| 31 March 2025                                                     |                                              |                         | 11.85%                                               | 14,509   | 43.04%                        | 4,206  | 9.57%                                                    | 146    | 38.52%                                            | 4,352  |
| 31 March 2024                                                     |                                              |                         | (12.61%)                                             | (13,874) | 21.44%                        | 2,092  | 54.49%                                                   | 560    | 24.59%                                            | 2,653  |
| <b>EKC General trading FZE</b>                                    | <b>United Arab Emirates</b>                  | <b>100%</b>             |                                                      |          |                               |        |                                                          |        |                                                   |        |
| 31 March 2025                                                     |                                              |                         | 0.04%                                                | 45       | 0.23%                         | 22     | -                                                        | -      | 0.19%                                             | 22     |
| 31 March 2024                                                     |                                              |                         | -                                                    | -        | -                             | -      | -                                                        | -      | -                                                 | -      |
| <b>Calcutta Compressions and Liquefaction Engineering Limited</b> | <b>India</b>                                 | <b>100%</b>             |                                                      |          |                               |        |                                                          |        |                                                   |        |
| 31 March 2025                                                     |                                              |                         | (0.47%)                                              | (580)    | 0.01%                         | 1      | -                                                        | -      | 0.01%                                             | 1      |
| 31 March 2024                                                     |                                              |                         | (0.53%)                                              | (582)    | 9.19%                         | 897    | -                                                        | -      | 8.32%                                             | 897    |
| <b>EKC Hungary Kft.</b>                                           | <b>Hungary</b>                               | <b>100%</b>             |                                                      |          |                               |        |                                                          |        |                                                   |        |
| 31 March 2025                                                     |                                              |                         | 11.31%                                               | 13,847   | 7.21%                         | 705    | -                                                        | -      | 6.24%                                             | 705    |
| 31 March 2024                                                     |                                              |                         | (5.39%)                                              | (5,925)  | 4.78%                         | 467    | -                                                        | -      | 4.33%                                             | 467    |
| <b>Next Gen Cylinder Private Limited</b>                          | <b>India</b>                                 | <b>100%</b>             |                                                      |          |                               |        |                                                          |        |                                                   |        |
| 31 March 2025                                                     |                                              |                         | 0.01%                                                | 11       | 0.10%                         | 10     | -                                                        | -      | 0.09%                                             | 10     |
| 31 March 2024                                                     |                                              |                         | -                                                    | 1        | (0.09%)                       | (9)    | -                                                        | -      | (0.08%)                                           | (9)    |
| <b>EKC Europe GmbH</b>                                            | <b>Germany</b>                               | <b>100%</b>             |                                                      |          |                               |        |                                                          |        |                                                   |        |
| 31 March 2025                                                     |                                              |                         | (0.50%)                                              | (615)    | (0.64%)                       | (63)   | -                                                        | -      | (0.56%)                                           | (63)   |
| 31 March 2024                                                     |                                              |                         | (0.49%)                                              | (539)    | (0.73%)                       | (72)   | -                                                        | -      | (0.66%)                                           | (72)   |
| <b>EKC Europe Gyártó Zrt</b>                                      | <b>Hungary</b>                               | <b>80%</b>              |                                                      |          |                               |        |                                                          |        |                                                   |        |
| 31 March 2025                                                     |                                              |                         | 0.12%                                                | 142      | (0.02%)                       | (2)    | -                                                        | -      | (0.02%)                                           | (2)    |
| 31 March 2024                                                     |                                              |                         | 0.13%                                                | 143      | (0.02%)                       | (2)    | -                                                        | -      | (0.02%)                                           | (2)    |
| <b>EKC Egypt (S.A.E.)</b>                                         | <b>Egypt</b>                                 | <b>97.01%</b>           |                                                      |          |                               |        |                                                          |        |                                                   |        |
| [Refer note below]                                                |                                              |                         |                                                      |          |                               |        |                                                          |        |                                                   |        |
| 31 March 2025                                                     |                                              |                         | 3.27%                                                | 4,002    | (7.30%)                       | (713)  | -                                                        | -      | (6.32%)                                           | (713)  |
| 31 March 2024                                                     |                                              |                         | (0.28%)                                              | (312)    | (8.32%)                       | (812)  | -                                                        | -      | (7.52%)                                           | (812)  |
| <b>Intercompany Elimination and Consolidation Adjustments</b>     |                                              |                         |                                                      |          |                               |        |                                                          |        |                                                   |        |
| 31 March 2025                                                     |                                              |                         | (48.13%)                                             | (58,926) | (1.58%)                       | (154)  | 92.46%                                                   | 1,410  | 11.11%                                            | 1,256  |
| 31 March 2024                                                     |                                              |                         | (9.40%)                                              | (10,346) | 1.35%                         | 132    | 45.70%                                                   | 470    | 5.58%                                             | 602    |
| <b>Total</b>                                                      |                                              |                         |                                                      |          |                               |        |                                                          |        |                                                   |        |
| 31 March 2025                                                     |                                              |                         |                                                      | 1,22,441 |                               | 9,772  |                                                          | 1,525  |                                                   | 11,297 |
| 31 March 2024                                                     |                                              |                         |                                                      | 1,10,024 |                               | 9,760  |                                                          | 1,029  |                                                   | 10,789 |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

52 (a) For Disclosures mandated by Schedule III of Companies Act 2013, by way of additional information, refer below (contd.):

**Notes:**

- (i) During the year ended 31 March 2025, for convenience & smooth exit of the earlier joint venture partner & based on the approval received from the concerned authority in EGYPT, EKC International FZE, a subsidiary of the Holding Company, has acquired 17.01% equity stake from the exiting joint venture partner and entered into a new joint venture agreement with another local joint venture partner in EGYPT. Pursuant to the aforesaid transaction, EKC International FZE's ownership in EKC Egypt (S.A.E.), step down subsidiary, increased to 97.01% (31 March 2024: 80%).
- (ii) During the year ended 31 March 2025, EKC International FZE, a subsidiary of the Holding Company, incorporated a subsidiary EKC General Trading FZE in Dubai for its trading business.
- (iii) During the year ended 31 March 2025, EKC International FZE, a subsidiary of the Holding company, has acquired 100% shares of its step down subsidiary C.P.Industries Holding, INC. (CPI) from its direct subsidiary EKC Hungary Kft, thereby making CPI a direct subsidiary of EKC International FZE.

**(b) Non-controlling interests**

Below is the summarised financial information for each subsidiary that has non-controlling interest. The amount disclosed for each subsidiary are before inter company eliminations.

**Summarised information on assets and liabilities**

(₹ in lakhs)

|                                                                                | EKC Europe Gyàrtò Zrt  |                        | EKC Egypt (S.A.E.)     |                        |
|--------------------------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                                                | As at<br>31 March 2025 | As at<br>31 March 2024 | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Current assets                                                                 | 20                     | 22                     | 104                    | 384                    |
| Current liabilities                                                            | -                      | -                      | 556                    | 2,435                  |
| <b>Net current assets</b>                                                      | <b>20</b>              | <b>22</b>              | <b>(452)</b>           | <b>(2,051)</b>         |
| Non-current assets                                                             | 122                    | 121                    | 5,169                  | 1,994                  |
| Non-current liabilities                                                        | -                      | -                      | 715                    | 256                    |
| <b>Net non-current assets</b>                                                  | <b>122</b>             | <b>121</b>             | <b>4,454</b>           | <b>1,738</b>           |
| <b>Net assets</b>                                                              | <b>142</b>             | <b>143</b>             | <b>4,002</b>           | <b>(312)</b>           |
| <b>Less: Intercompany elimination</b>                                          | <b>(3)</b>             | <b>-</b>               | <b>5,002</b>           | <b>-</b>               |
| <b>Net assets after intercompany elimination and consolidation adjustments</b> | <b>145</b>             | <b>143</b>             | <b>(1,000)</b>         | <b>(312)</b>           |
| <b>Accumulated non-controlling interests</b>                                   | <b>29</b>              | <b>29</b>              | <b>(30)</b>            | <b>(63)</b>            |

**Summarised information on operating results**

(₹ in lakhs)

|                                                                   | EKC Europe Gyàrtò Zrt       |                             | EKC Egypt (S.A.E.)          |                             |
|-------------------------------------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|                                                                   | Year Ended<br>31 March 2025 | Year Ended<br>31 March 2024 | Year Ended<br>31 March 2025 | Year Ended<br>31 March 2024 |
| Revenue from operations                                           | -                           | -                           | -                           | -                           |
| Net Profit / (Loss) after tax                                     | (2)                         | (2)                         | (714)                       | (812)                       |
| Other comprehensive income                                        | -                           | -                           | -                           | -                           |
| <b>Total comprehensive income</b>                                 | <b>(2)</b>                  | <b>(2)</b>                  | <b>(714)</b>                | <b>(812)</b>                |
| Net Profit for the year attributable to non-controlling interests | _*                          | _*                          | (21)                        | (162)                       |
| Dividends paid to non-controlling interests                       | -                           | -                           | -                           | -                           |

\* Balance below rounding off norms.

**Summarised cash flow information**

(₹ in lakhs)

|                                                               | EKC Europe Gyàrtò Zrt  |                        | EKC Egypt (S.A.E.)     |                        |
|---------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                               | As at<br>31 March 2025 | As at<br>31 March 2024 | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Net cash generated from/(used in) operating activities        | _*                     | (2)                    | (2,856)                | (2,247)                |
| Net cash generated from/(used in) investing activities        | _*                     | -                      | 1,828                  | 223                    |
| Net cash generated from/(used in) financing activities        | -                      | -                      | 724                    | 2,336                  |
| Exchange differences on translation of operations             | _*                     | (1)                    | (9)                    | (187)                  |
| <b>Net increase / (decrease) in cash and cash equivalents</b> | <b>_*</b>              | <b>(3)</b>             | <b>(313)</b>           | <b>124</b>             |

\* Balance below rounding off norms

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

53 Segment reporting  
A. Geographical segment

|     |                                                               | (₹ in lakhs)             |                          |                          |                          |                                      |                          |                          |                          |                          |                          |
|-----|---------------------------------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|     |                                                               | India                    |                          | United Arab Emirates     |                          | United States of America and Hungary |                          | Others                   |                          | Total                    |                          |
|     |                                                               | Year Ended 31 March 2025 | Year Ended 31 March 2024 | Year Ended 31 March 2025 | Year Ended 31 March 2024 | Year Ended 31 March 2025             | Year Ended 31 March 2024 | Year Ended 31 March 2025 | Year Ended 31 March 2024 | Year Ended 31 March 2025 | Year Ended 31 March 2024 |
| (a) | <b>Segment revenue</b>                                        | 94,787                   | 77,152                   | 17,547                   | 19,228                   | 37,405                               | 26,328                   | 2,714                    | 4,213                    | 1,52,453                 | 1,26,921                 |
|     | Less: Inter segment revenue                                   | 277                      | 125                      | 2,255                    | 4,411                    | -                                    | -                        | -                        | 89                       | 2,532                    | 4,625                    |
|     | <b>Total</b>                                                  | 94,510                   | 77,027                   | 15,292                   | 14,817                   | 37,405                               | 26,328                   | 2,714                    | 4,124                    | 1,49,921                 | 1,22,296                 |
| (b) | <b>Segment results</b>                                        | 7,226                    | 8,164                    | 213                      | 2,107                    | 5,824                                | 3,132                    | (178)                    | (197)                    | 13,085                   | 13,206                   |
|     | Segment results                                               | -                        | -                        | -                        | -                        | -                                    | -                        | -                        | -                        | 481                      | (589)                    |
|     | Unallocable income / (expenses) (net)                         | -                        | -                        | -                        | -                        | -                                    | -                        | -                        | -                        | (45)                     | (222)                    |
|     | Foreign exchange variation (loss)/gain (net)                  | -                        | -                        | -                        | -                        | -                                    | -                        | -                        | -                        | 1,128                    | 578                      |
|     | Finance costs                                                 | -                        | -                        | -                        | -                        | -                                    | -                        | -                        | -                        | 12,393                   | 11,817                   |
|     | <b>Profit before tax - (i)</b>                                | -                        | -                        | -                        | -                        | -                                    | -                        | -                        | -                        | -                        | -                        |
|     | <b>Tax expense/(credit) - (ii)</b>                            | -                        | -                        | -                        | -                        | -                                    | -                        | -                        | -                        | 2,788                    | 1,900                    |
|     | Current tax                                                   | -                        | -                        | -                        | -                        | -                                    | -                        | -                        | -                        | (167)                    | 157                      |
|     | Deferred tax                                                  | -                        | -                        | -                        | -                        | -                                    | -                        | -                        | -                        | -                        | -                        |
|     | <b>Profit after tax (i-ii)</b>                                | -                        | -                        | -                        | -                        | -                                    | -                        | -                        | -                        | 9,772                    | 9,760                    |
|     | <b>Profit after tax attributable to:</b>                      | -                        | -                        | -                        | -                        | -                                    | -                        | -                        | -                        | 9,772                    | 9,760                    |
|     | Equity shareholders of the Holding Company                    | -                        | -                        | -                        | -                        | -                                    | -                        | -                        | -                        | 9,793                    | 9,923                    |
|     | Non-controlling interests                                     | -                        | -                        | -                        | -                        | -                                    | -                        | -                        | -                        | (21)                     | (163)                    |
|     |                                                               |                          |                          |                          |                          |                                      |                          |                          |                          |                          |                          |
|     |                                                               | India                    |                          | United Arab Emirates     |                          | United States of America and Hungary |                          | Others                   |                          | Total                    |                          |
|     |                                                               | As at 31 March 2025      | As at 31 March 2024      | As at 31 March 2025      | As at 31 March 2024      | As at 31 March 2025                  | As at 31 March 2024      | As at 31 March 2025      | As at 31 March 2024      | As at 31 March 2025      | As at 31 March 2024      |
| (c) | <b>Other Information</b>                                      | 83,698                   | 68,836                   | 26,074                   | 27,427                   | 33,485                               | 30,798                   | 6,313                    | 3,474                    | 1,49,570                 | 1,30,535                 |
|     | <b>Segment assets</b>                                         | -                        | -                        | -                        | -                        | -                                    | -                        | -                        | -                        | 11,859                   | 10,787                   |
|     | Add: Unallocated assets                                       | -                        | -                        | -                        | -                        | -                                    | -                        | -                        | -                        | 1,61,429                 | 1,41,322                 |
|     | <b>Total assets</b>                                           | -                        | -                        | -                        | -                        | -                                    | -                        | -                        | -                        | -                        | -                        |
| (d) | <b>Segment liabilities</b>                                    | 10,566                   | 9,600                    | 3,968                    | 3,507                    | 10,207                               | 12,395                   | 668                      | 723                      | 25,409                   | 26,225                   |
|     | Add: Unallocated liabilities                                  | -                        | -                        | -                        | -                        | -                                    | -                        | -                        | -                        | 15,381                   | 5,074                    |
|     | <b>Total liabilities</b>                                      | -                        | -                        | -                        | -                        | -                                    | -                        | -                        | -                        | 40,790                   | 31,299                   |
| (e) | <b>Capital expenditure</b>                                    | 6,620                    | 5,092                    | 424                      | 650                      | 3,788                                | 849                      | 1,297                    | -                        | 12,129                   | 6,591                    |
| (f) | <b>Depreciation and amortisation of continuing operations</b> | 2,463                    | 2,356                    | 838                      | 803                      | 848                                  | 763                      | -                        | -                        | 4,149                    | 3,922                    |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### B. Other Disclosures

#### 1 Identification of segments

The chief operating decision maker monitors the operating results of its geographical segments separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements. The Group's reportable segments are India, United Arab Emirates (UAE), United States of America and Hungary and Others.

- 2 The Holding Company, its subsidiaries and step down subsidiaries operate within a single business segment of manufacturing high-pressure seamless gas cylinders and other cylinders, equipments, appliances and tanks with their parts and accessories, used for containing and storage of natural gas and other gases, liquids and air; except for Calcutta Compressions & Liquefaction Engineering Limited, 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. Hence, the Group has disclosed geographical segment as the primary segment on the basis of geographical location of the operations carried out by the Company, its subsidiaries and step down subsidiaries.

#### 3 Segment revenue and results

The expenses and income which are not directly attributable to any geographical segment are shown as unallocable income / (expenses).

#### 4 Segment assets and liabilities

Segment assets include all operating assets used by the geographical segment and mainly consist of property, plant and equipment, trade receivables, inventories and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the geographical segment are shown as unallocable assets / liabilities.

#### 5 Inter segment revenues

Inter segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the Group level.

### C. Information on geographical revenue and non-current assets

(₹ in lakhs)

|                                                                                | India                          |                                | United Arab Emirates           |                                | United States of America and Hungary |                                | Others                         |                                | Total                          |                                |
|--------------------------------------------------------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
|                                                                                | Year Ended<br>31 March<br>2025 | Year Ended<br>31 March<br>2024 | Year Ended<br>31 March<br>2025 | Year Ended<br>31 March<br>2024 | Year Ended<br>31 March<br>2025       | Year Ended<br>31 March<br>2024 | Year Ended<br>31 March<br>2025 | Year Ended<br>31 March<br>2024 | Year Ended<br>31 March<br>2025 | Year Ended<br>31 March<br>2024 |
| Segment revenue*                                                               | 94,510                         | 77,027                         | 15,292                         | 14,817                         | 37,405                               | 26,328                         | 2,714                          | 4,124                          | 1,49,921                       | 1,22,296                       |
| Carrying cost of segment non-current assets included in total segment assets** | 38,061                         | 33,438                         | 7,742                          | 7,955                          | 11,225                               | 8,087                          | 5,291                          | 2,116                          | 62,319                         | 51,596                         |

\* Based on location of customers.

\*\* Geographical non-current assets (property, plant and equipment, capital work-in-progress, investment property, intangible assets, non-current tax assets and other non-current non-financial assets) are allocated based on location of the assets.

#### Information about major customers

No single customer represents 10% or more of the Group's total revenue for the years ended 31 March 2025 and 31 March 2024, respectively.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

**54 Revenue from contracts with customers**

The Group derives revenues primarily from sale of high pressure seamless gas cylinders and other cylinders, equipments, appliances and other related services. Further, the Group is engaged in the trading of fire extinguishment and related equipment.

Under Ind AS 115, an entity recognises revenue when it transfers control of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The Group determines revenue recognition through the following steps:

1. Identification of the contract, or contracts, with a customer.
2. Identification of the performance obligations in the contract.
3. Determination of the transaction price.
4. Allocation of the transaction price to the performance obligations in the contract.
5. Recognition of revenue when, or as, we satisfy a performance obligation.

At contract inception, the Group assesses the goods and services promised in the contracts with customers and identifies a performance obligation for each promise to transfer to the customer a good or service (or bundle of goods or services) that is distinct. To identify the performance obligations, the Group considers all of the goods and services promised in the contract regardless of whether they are explicitly stated or are implied by customary business practices.

**Revenue from sale of goods:** The majority of customer contracts that Group enters into consist of a single performance obligation for the delivery of cylinders, fire fighting equipment and other related services. The Group recognises revenue from product sales when control of the product transfers i.e. generally upon shipment. Some contracts provide customers with a right of return and Company recognises provision for sales return, based on the historical results, measured as net margin of such sale. [Refer notes 20 and 34].

**Shipping and handling services:** The Group provides shipping and handling services to its customers which is considered as separate performance obligation as per Ind AS 115.

**Revenue from long term contracts:** The revenue recognition of long term contracts under progress requires forecasts to be made of total budgeted costs with the outcomes of underlying contracts, which further require assessments and judgements to be made on changes in work scopes and other payments to the extent they are probable and they are capable of being reliably measured. However, where the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately in the Consolidated Statement of Profit and Loss. Revenue in excess of invoicing are classified as contract assets while invoicing in excess of revenues are classified as contract liabilities.

**Sale with right to return :** Some contracts provide customers with a right of return and Group recognises provision for sales return, based on the historical results, measured as net margin of such sale. [Refer notes 20 and 34].

**Disaggregation of revenue****(a) Revenue based on geography**

(₹ in lakhs)

|                                      | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------------------|-----------------------------|-----------------------------|
| Within India                         | 94,510                      | 77,027                      |
| United Arab Emirates                 | 15,292                      | 14,817                      |
| United States of America and Hungary | 37,405                      | 26,328                      |
| Others                               | 2,714                       | 4,124                       |
| <b>Total</b>                         | <b>1,49,921</b>             | <b>1,22,296</b>             |

**(b) Revenue based on product**

(₹ in lakhs)

|                                | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------------|-----------------------------|-----------------------------|
| Cylinders                      | 1,46,531                    | 1,18,987                    |
| Stores, spares and consumables | 305                         | 233                         |
| Fire fighting equipment        | 76                          | 425                         |
| Cascade fittings               | 4                           | 274                         |
| Others                         | 3,005                       | 2,377                       |
| <b>Total</b>                   | <b>1,49,921</b>             | <b>1,22,296</b>             |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**
**(c) Revenue based on timing of recognition**

(₹ in lakhs)

|                                                                       | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-----------------------------------------------------------------------|-----------------------------|-----------------------------|
| Goods transferred at a point in time                                  | 1,38,124                    | 1,16,108                    |
| Services transferred over time/control of goods transferred over time | 11,797                      | 6,188                       |
| <b>Total</b>                                                          | <b>1,49,921</b>             | <b>1,22,296</b>             |

**(d) Reconciliation of revenue recognised in the Consolidated Statement of Profit and Loss with the contracted price**

(₹ in lakhs)

|                                             | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---------------------------------------------|-----------------------------|-----------------------------|
| Revenue as per contracted price             | 1,50,313                    | 1,22,909                    |
| Sales return                                | 392                         | 613                         |
| <b>Revenue from contract with customers</b> | <b>1,49,921</b>             | <b>1,22,296</b>             |

**(e) Contract balances**

(₹ in lakhs)

|                                                                                                         | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| Trade receivables [gross of provision for doubtful debts of ₹ 1,070 lakhs (31 March 2024: ₹ 802 lakhs)] | 26,157                 | 18,369                 |
| Revenue received in advance                                                                             | 10,739                 | 12,453                 |

**Significant changes in contract assets/liabilities**

(₹ in lakhs)

|                                 | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------|------------------------|------------------------|
| Contract assets / (liabilities) | (1,311)                | (1,415)                |
| Add: Recognised during the year | 1,216                  | (11,948)               |
| Less: Invoiced during the year  | (2,082)                | 12,052                 |
| <b>Closing balance</b>          | <b>(2,177)</b>         | <b>(1,311)</b>         |

**Information in respect of contract in progress**

(₹ in lakhs)

|                                                                                   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------------------------------------------------------------|------------------------|------------------------|
| Cost incurred on uncompleted contract                                             | 7,078                  | 6,791                  |
| Estimated earnings                                                                | 6,017                  | 5,088                  |
| Revenue earned on uncompleted contract as at the end of year                      | 13,096                 | 11,879                 |
| Less: Billings on uncompleted contract as at the end of year                      | (15,272)               | (13,190)               |
| <b>Accrued revenue / (billings in excess of revenue) on uncompleted contracts</b> | <b>(2,177)</b>         | <b>(1,311)</b>         |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

## 55 Earnings per share

(₹ in lakhs, unless otherwise stated)

|     |                                                                      | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-----|----------------------------------------------------------------------|-----------------------------|-----------------------------|
| I   | Profit after tax                                                     | 9,772                       | 9,760                       |
|     | <b>Attributed to :</b>                                               |                             |                             |
| a)  | Equity shareholders of the Holding Company                           | 9,793                       | 9,923                       |
| b)  | Non-controlling interests                                            | (21)                        | (163)                       |
| II  | Profit attributable to Equity shareholders of the Holding Company    | 9,793                       | 9,923                       |
| III | Weighted average number of equity shares outstanding during the year | 11,22,07,682                | 11,22,07,682                |
| IV  | Basic and diluted earnings per equity share (₹)                      | 8.73                        | 8.84                        |
|     | Face value per equity share (₹)                                      | 2.00                        | 2.00                        |

**Note :**

The Holding Company does not have any outstanding dilutive potential equity shares as at 31 March 2025 and 31 March 2024. Consequently, basic and diluted earnings per share of the Holding Company remains the same.

## 56 Ind AS 116, 'Leases'

**The disclosure required in accordance with Ind AS 116 are as follows:**

- The Group leased assets primarily consist of leases for land, building (premises) and warehouses having various lease terms.
- The maturity analysis of lease liabilities are disclosed in note 47(B).
- The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

**The Consolidated Balance sheet discloses the following amounts relating to leases:**

(₹ in lakhs)

|                            | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------|------------------------|------------------------|
| <b>Right-of-use assets</b> |                        |                        |
| Leasehold land             | 102                    | 103                    |
| Buildings                  | 2,387                  | 2,169                  |
|                            | 2,489                  | 2,272                  |
| <b>Lease liabilities</b>   |                        |                        |
| Current                    | 221                    | 363                    |
| Non-current                | 2,487                  | 2,053                  |
|                            | 2,708                  | 2,416                  |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**
**Amounts recognised in Consolidated Statement of Profit and Loss:**

(₹ in lakhs)

|                                                                                           | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Depreciation/amortisation charge on Right-of-use assets</b>                            |                             |                             |
| Leasehold land                                                                            | 1                           | 1                           |
| Buildings                                                                                 | 391                         | 422                         |
|                                                                                           | <b>392</b>                  | <b>423</b>                  |
| Interest expense included in finance cost                                                 | 220                         | 185                         |
| Expense relating to short-term leases                                                     | 373                         | 120                         |
| Gain on lease modification and termination (included in Miscellaneous income)             | -                           | 22                          |
| Total cash outflow for leases during current financial year (excluding short term leases) | 533                         | 410                         |
| Additions / (deletions) to the Right-of-use assets during the current financial year      | 624                         | 472                         |

**The movement in lease liabilities is as follows:**

(₹ in lakhs)

|                                                                    | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------------------------------------------------|-----------------------------|-----------------------------|
| Balance at the beginning of the year                               | 2,416                       | 2,356                       |
| Additions / (deletions) to the Right-of-use assets during the year | 624                         | 450                         |
| Interest expense included in finance cost                          | 220                         | 185                         |
| Payment of lease obligations                                       | (533)                       | (595)                       |
| Foreign currency translation adjustments                           | (19)                        | 20                          |
| <b>Lease liabilities</b>                                           | <b>2,708</b>                | <b>2,416</b>                |
| Current                                                            | 221                         | 363                         |
| Non-current                                                        | 2,487                       | 2,053                       |

**Details regarding the contractual maturities of lease liabilities as at year end on an undiscounted basis:**

(₹ in lakhs)

|                   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------|------------------------|------------------------|
| Less than 1 year  | 466                    | 529                    |
| 1-5 years         | 1,493                  | 1,395                  |
| More than 5 years | 2,358                  | 1,619                  |
|                   | <b>4,317</b>           | <b>3,543</b>           |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

## 57 Disclosure of ratios

| Sr. No. | Type of ratio                   | Measure (in times / percentage) | Formula for computation                               | Ratio         |               | Variation in ratio between 31 March 2025 and 31 March 2024 | Reasons for variance more than +/- 25%                                                      |
|---------|---------------------------------|---------------------------------|-------------------------------------------------------|---------------|---------------|------------------------------------------------------------|---------------------------------------------------------------------------------------------|
|         |                                 |                                 |                                                       | 31 March 2025 | 31 March 2024 |                                                            |                                                                                             |
| 1       | Current ratio                   | Times                           | Current assets / Current liabilities                  | 2.84          | 3.30          | (13.80%)                                                   | –                                                                                           |
| 2       | Debt-equity ratio               | Times                           | Total Debt / Equity                                   | 0.14          | 0.06          | 137.34%                                                    | The increase is on account of increase in utilisation of cash credit facilities from banks. |
| 3       | Debt service coverage ratio     | Times                           | Earnings for debt service* / Debt Service             | 5.32          | 2.18          | 144.30%                                                    | The ratio has improved due to reduction of debt repayments.                                 |
| 4       | Return on equity ratio          | Percentage                      | Profit after tax / Average Shareholders' Equity       | 8.47%         | 9.30%         | (8.86%)                                                    | –                                                                                           |
| 5       | Inventory turnover ratio        | Times                           | Cost of goods sold / Average inventory                | 2.06          | 1.54          | 33.73%                                                     | The increase is due to decrease in average inventory.                                       |
| 6       | Trade receivable turnover ratio | Times                           | Revenue from operations / Average trade receivable    | 7.03          | 6.72          | 4.61%                                                      | –                                                                                           |
| 7       | Trade payable turnover ratio    | Times                           | Net purchases / Average trade payables                | 12.47         | 11.25         | 10.88%                                                     | –                                                                                           |
| 8       | Net capital turnover ratio      | Times                           | Revenue from operations / Working capital             | 2.39          | 2.02          | 18.56%                                                     | –                                                                                           |
| 9       | Net profit ratio                | Percentage                      | Net Profit/(Loss) after tax / Revenue from operations | 6.52%         | 7.98%         | (18.33%)                                                   | –                                                                                           |
| 10      | Return on capital employed      | Percentage                      | Earnings Before Interest and tax/ Capital Employed    | 10.16%        | 10.94%        | (7.15%)                                                    | –                                                                                           |
| 11      | Return on investment            | Percentage                      | Income from investments / Average investments         | 9.54%         | 2.54%         | 275.54%                                                    | Change due to increase in average investments                                               |

## Notes:

- Earnings for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.
- Total debt = Borrowings + Lease liabilities.
- Debt service = Interest & Lease Payments + Principal Repayments.
- Cost of Good sold = Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories of finished goods, stock-in-trade and work-in-progress + Manufacturing expenses (included under the head operating expenses).
- Average inventory = (Opening inventory + closing inventory)/2
- Average trade receivables = (Opening trade receivables + closing trade receivables)/2
- Net purchases = Net purchases of stock in trade + Net credit purchases of raw materials.
- Average trade payables = (Opening trade payables + closing trade payables)/2
- Working Capital = Current Assets - Current Liabilities.
- Earnings before Interest and Tax (EBIT) = Profit after exceptional item and before tax + Finance costs (recognised).
- Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability.
- Average investments = (Opening income earning investments including non-current investments FVTOCI, current investments FVTPL, bank deposits, inter-corporate deposits + Closing income earning investments including non-current investments FVTOCI, current investments FVTPL, bank deposits, inter-corporate deposits)/2

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**
**58 Assets pledged as security**

The carrying amount of assets pledged as security are as under:

(₹ in lakhs)

|                                                    | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------------------------------|------------------------|------------------------|
| <b>Non-current assets</b>                          |                        |                        |
| Property, plant and equipment                      | 39,160                 | 38,835                 |
| Capital work-in-progress                           | 15,956                 | 7,218                  |
| Investment Property                                | 2,536                  | 2,304                  |
| Intangible assets                                  | 57                     | 52                     |
| Intangible assets under development                | 346                    | -                      |
| <b>Financial assets</b>                            |                        |                        |
| Trade receivables                                  | 114                    | 276                    |
| <b>Current assets</b>                              |                        |                        |
| <b>Financial assets</b>                            |                        |                        |
| Investments                                        | 6,003                  | 4,063                  |
| Trade receivables                                  | 25,989                 | 18,805                 |
| Cash and cash equivalents                          | 6,105                  | 6,301                  |
| Bank balances other than cash and cash equivalents | 1,701                  | 2,687                  |
| Loans                                              | 268                    | 2,698                  |
| Other financial assets                             | 136                    | 5,877                  |
| <b>Non-financial assets</b>                        |                        |                        |
| Inventories                                        | 47,815                 | 47,431                 |
| Other current assets                               | 9,619                  | 8,345                  |
| Assets classified as held for sale                 | 894                    | 1,124                  |
| <b>Total assets pledged as security</b>            | <b>1,56,699</b>        | <b>1,46,016</b>        |

**59 Expenditure towards corporate social responsibility**

(₹ in lakhs)

|                                                                                                                                            | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Average net profit of the Holding Company as per Section 198 of Companies Act, 2013 during the three immediately preceding financial years | 16,983                      | 19,624                      |
| Amount required to be spent as per Section 135 of the Companies Act, 2013 (2% of the average net profit as computed above)                 | 340                         | 392                         |
| <b>Amount spent by the Holding Company during the year*</b>                                                                                | <b>340</b>                  | <b>392</b>                  |
| (i) Construction / acquisition of an asset                                                                                                 | -                           | -                           |
| (ii) On purpose other than (i) above**                                                                                                     | 340                         | 392                         |
| Amount Excess Spend during earlier year carried forward and adjusted in current year                                                       | -*                          | -*                          |
| Amount unspent / (excess spent) as at balance sheet date                                                                                   | -*                          | -*                          |

\* Balances below rounding off norms.

|                                 | Opening<br>Balance | Amount deposited<br>in Specified Fund<br>of Sch. VII within<br>6 months | Amount required<br>to be spent<br>during the year | Amount spent<br>during the year | Closing<br>Balance |
|---------------------------------|--------------------|-------------------------------------------------------------------------|---------------------------------------------------|---------------------------------|--------------------|
| <b>Year ended 31 March 2025</b> | -*                 | -                                                                       | 340                                               | (340)                           | -*                 |
| <b>Year ended 31 March 2024</b> | -*                 | -                                                                       | 392                                               | (392)                           | -*                 |

\* Balances below rounding off norms.

\*\*The aforesaid payments were made to various charitable trusts for eradication of hunger, poverty, malnutrition and promoting education etc.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### 60 Other Statutory Information:

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group does not have any transactions with companies struck off by Registrar of Companies (ROC).
- (iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Group has not traded or invested in Crypto currency or Virtual currency during the financial year.
- (v) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vi) No funds have been advanced or loaned or invested by the Group to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) No funds have been received by the Group from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (viii) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

**61** The Holding Company and its subsidiaries in India are using accounting software for maintaining its books of accounts which has feature of recording audit trail and same has operated throughout the year for all relevant transactions recorded in the software. The audit trail feature has not been tampered with and being preserved by the Holding Company and its subsidiaries as per the statutory requirements for record retention.

**62** Figures of previous period / year have been regrouped / rearranged, wherever considered necessary.

**63** The consolidated financial statements were authorised for issue by the Board of Directors on 23 May 2025.

As per our report of even date attached

For **Suresh Surana & Associates LLP**  
Chartered Accountants  
Firm's Registration No: 121750W/W100010

**Vinodkumar Varma**  
Partner  
Membership No. 105545

Place : Mumbai  
Date : 23 May 2025

For and on behalf of the Board of Directors

**Pushkar Khurana**  
Chairman and Executive Director  
DIN: 00040489

Place : Dubai  
Date : 23 May 2025

**Sanjiv Kapur**  
Chief Financial Officer

Place : Mumbai  
Date : 23 May 2025

**Puneet Khurana**  
Managing Director  
DIN: 00004074

Place : Mumbai  
Date : 23 May 2025

**Vishal Totla**  
Company Secretary  
Membership No: A26757

Place : Mumbai  
Date : 23 May 2025

# CORPORATE SOCIAL RESPONSIBILITY

**Building a Better Tomorrow, Today:** Fueling Growth, Preserving Nature: At EKC, we are committed to creating meaningful and lasting impact through our CSR initiatives. We actively collaborate with NGOs and Trusts to drive economic, social, and environmental progress in a sustainable manner - benefiting communities and society at large.



## Empowering Digital Learning:

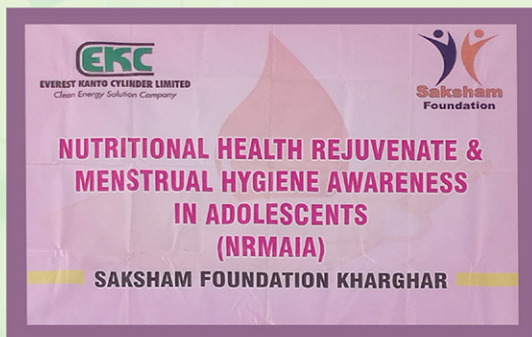
EKC set up a computer and tinkering lab at a school in Uttan, equipping students with 21st-century digital and STEM skills.



**Supporting Good Schooling:** EKC renovated Zilla Parishad Schools at Nimavali (Tal. Wada) and Exsel-Sagaon (Tal. Bhiwandi) to improve infrastructure and create better learning conditions for students.



**Empowering Through Education:** EKC provided scholarships to blind girls at a school in Alandi (Pune), fostering inclusion and equal learning opportunities.



**Women Empowerment & Menstrual Hygiene:** EKC conducted awareness programs for adolescent girls in Panvel Taluka schools, focusing on menstrual hygiene, personal care, and nutrition, promoting health and confidence among young girls.





#### Reducing Carbon Footprint:

EKC supports environmental preservation by promoting renewable energy - installing solar panels at ISKCON Bhiwandi to reduce carbon emissions and encourage sustainable energy use.

#### Promoting Public Hygiene:

EKC set up public bio-toilets at Taloja and Dadar, supporting cleaner and healthier communities.

**INAUGURATION OF CSR PROJECT**  
**DATE: 27-12-2024**

**Sewing for Success**

**Empowering Underprivileged Women in Tarapur through Tailoring Skills Training**

Sponsoring Partner  
**EKC**  
 EVEREST KANTO CYLINDER LIMITED  
 Clean Energy Solution Company

Implementing Partner  
  
 Building Sustainable Livelihoods for Women



#### Empowering Women through Entrepreneurship:

EKC supports initiatives that help women become self-reliant by promoting entrepreneurship and skill development.

**Supporting the Visually Challenged:**  
 EKC partnered with the National Federation of the Blind to support vocational training for visually challenged youth, empowering them with skills for independent living.

**EKC**  
 Most Trusted Gas Cylinder  
 EVEREST KANTO CYLINDER

**The National Federation Of The Blind, Maharashtra.**  
 Run By- Prof. R. K. Rakibe Residential Vocational Guidance And Training Centre For Blind Students' Nashik.

**In Collaboration With**  
**EVEREST KANTO CYLINDER LIMITED**  
 In support of Vocational Training of visually challenged youth  
 Year: 2024-25  
 Add: Krishi Nagar, behind H.P.T. college Nashik





## EVEREST KANTO CYLINDER LIMITED

*Clean Energy Solution Company*



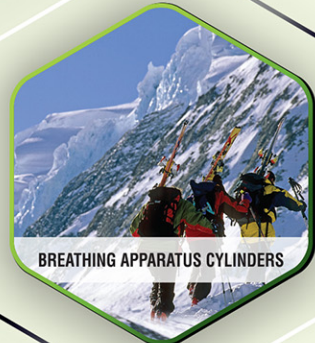
COMPRESSED NATURAL GAS CYLINDERS



FIRE FIGHTING CYLINDERS



MEDICAL GASES CYLINDERS



BREATHING APPARATUS CYLINDERS



INDUSTRIAL GASES CYLINDERS



FOR BEVERAGE USE

ISO 9001 : 2015 Certified for international quality standards | Cylinders ranging from 1 to 3,000 liters

Global distribution network with extensive reach | 6 million cylinders manufactured

2.5 million annual production capacity | 2.4 million industrial and 1.1 million CNG cylinders in service

5 advanced manufacturing plants worldwide | 2,500 skilled employees globally

Robotic and Type IV advanced manufacturing technologies | Diverse product portfolio for multiple industries



Tarapur, INDIA



Kasez, INDIA



Pittsburgh, USA



Plant 1 - DUBAI



Plant 2 - DUBAI



*Clean Energy Solution Company*

## **EVEREST KANTO CYLINDER LIMITED, INDIA**

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