

ELGI COMPRESSORS ITALY S.r.l
BALANCE SHEET AS AT 31ST MARCH 2015

(Rs. in INR)

	Particulars	Note No	31-03-2015	31-03-2014
I.	EQUITY AND LIABILITIES			
(1)	SHAREHOLDERS' FUNDS			
	(a) Share Capital	2	1,044,900.00	1,044,900.00
	(b) Reserves and Surplus	3	57,327,566.11	12,680,168.12
(2)	Share application money pending allotment		17,570,000.00	17,569,994.38
(3)	NON-CURRENT LIABILITIES			
	(a) Long-term borrowings	4	415,309,400.00	708,502,749.87
	(b) Deferred tax liabilities (Net)	5	-	-
	(c) Long term provisions	6	136,840,000.00	166,960,000.00
(4)	CURRENT LIABILITIES			
	(a) Short-term borrowings	7	321,101,473.69	249,575,348.39
	(b) Trade payables	8	340,112,323.04	369,422,495.77
	(c) Other current liabilities	9	170,510,034.15	43,034,664.61
	(d) Short-term provisions	10	110,465,857.97	88,986,632.98
	TOTAL		1,570,281,554.96	1,657,776,954.10
II.	ASSETS			
(1)	NON-CURRENT ASSETS			
	(a) <i>Fixed assets</i>			
	(i) Tangible assets	11	140,734,677.82	176,645,137.56
	(ii) Intangible assets	11	430,528,330.63	525,264,691.38
	(iii) Capital work-in-progress		-	-
	(b) Non-current investments	12	17,668.10	21,557.04
	(c) Deferred tax assets (net)	13	13,220,033.72	-
	(d) Long term loans and advances	14	393,908.99	230,373.08
	(e) Other non-current assets	15	-	-
(2)	CURRENT ASSETS			
	(a) Inventories	16	513,614,010.75	542,973,443.47
	(b) Trade receivables	17	423,545,994.60	368,550,657.59
	(c) Cash and cash equivalents	18	140,349.95	182,501.47
	(d) Short-term loans and advances	19	48,086,580.41	43,908,592.52
	(e) Other current assets	20	-	-
	TOTAL		1,570,281,554.96	1,657,776,954.10

The accompanying notes are an integral part of the financial statements.

ELGI COMPRESSORS ITALY S.r.l					
Statement of Profit and Loss the quarter ended 31st March 2015				(Rs. in INR)	
	Particulars		Note No	31-03-2015	31-03-2014
I.	REVENUE FROM OPERATIONS		21	1,541,293,542.98	1,462,203,374.69
II.	OTHER INCOME		22	504,722.67	3,035,006.78
III.	TOTAL REVENUE	(I +II)		1,541,798,265.65	1,465,238,381.47
IV.	EXPENSES:				
	Cost of materials consumed		23	976,114,919.93	1,014,489,798.52
	Purchase of Traded goods		24	81,831,352.98	-
	Changes in inventories of finished goods, work-in-progress and Traded goods		25	(9,881,447.58)	(11,179,698.63)
	Employee benefit expenses		26	259,587,315.72	242,624,702.73
	Finance Cost		27	40,343,078.92	36,871,662.42
	Depreciation and amortization expenses			10,705,075.55	12,862,333.42
	Other expenses		28	110,763,523.29	136,651,490.83
	TOTAL EXPENDITURE			1,469,463,818.82	1,432,320,289.29
V.	PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX	(III - IV)		72,334,446.83	32,918,092.18
VI.	EXCEPTIONAL ITEMS			-	-
VII.	PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX	(V-VI)		72,334,446.83	32,918,092.18
VIII.	EXTRAORDINARY ITEMS			-	-
IX.	PROFIT BEFORE TAX	(VII - VIII)		72,334,446.83	32,918,092.18
X.	TAX EXPENSE:				
	(1) CURRENT TAX			35,022,550.08	29,274,292.69
	(2) DEFERRED TAX			(19,807,446.43)	-
XI.	PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS	(IX - X)		57,119,343.18	3,643,799.49
XII.	PROFIT/(LOSS) FROM DISCONTINUING OPERATIONS			-	-
XIII.	TAX EXPENSE OF DISCONTINUING OPERATIONS			-	-
XIV.	PROFIT/(LOSS) FROM DISCONTINUING OPERATIONS (AFTER TAX)	(XII - XIII)		-	-
XV.	PROFIT/(LOSS) FOR THE YEAR	(XI+XIV)		57,119,343.18	3,643,799.49

The accompanying notes are an integral part of the financial statements.

Notes to Financial Statements for the year ended 31st March 2015

(Rs. in INR)

2	SHARE CAPITAL	31-03-2015	31-03-2014
	<u>ISSUED, SUBSCRIBED AND FULLY PAID-UP SHARES.</u>		
	Equity Shares of ₹ /- each fully paid	1,044,900.00	1,044,900.00
	Total Issued, subscribed and fully paid-up share capital	1,044,900.00	1,044,900.00

(Rs. in INR)

3	RESERVES AND SURPLUS	31-03-2015	31-03-2014
a)	FOREIGN CURRENCY TRANSACTION RESERVE	(8,078,721.34)	4,393,223.59
b)	SURPLUS FROM STATEMENT OF PROFIT & LOSS		
	As per the last Balance Sheet	8,286,944.26	4,643,145.04
	Add: Current year surplus	57,119,343.18	3,643,799.49
		65,406,287.44	8,286,944.53
	Total (a+b+c+d+e+f+g)	57,327,566.11	12,680,168.12

(Rs. in INR)

4	LONG TERM BORROWINGS	31-03-2015	31-03-2014
a)	From Bank	415,309,400.00	708,502,749.87
		415,309,400.00	708,502,749.87

(Rs. in INR)

5	DEFERRED TAX LIABILITIES (NET)	31-03-2015	31-03-2014
a)	As per the last Balance Sheet		
	Add: For the year	-	-
		-	-

(Rs. in INR)

6	LONG TERM PROVISIONS	31-03-2015	31-03-2014
a)	Contingent consideration to Shareholders	136,840,000.00	166,960,000.00
		136,840,000.00	166,960,000.00

(Rs. in INR)

7	SHORT TERM BORROWINGS	31-03-2015	31-03-2014
a)	From Bank	259,129,254.76	203,433,896.27
b)	From Others	61,972,218.94	46,141,452.11
		321,101,473.69	249,575,348.39

(Rs. in INR)

8	TRADE PAYABLE	31-03-2015	31-03-2014
c)	Others	340,112,323.04	369,422,495.77
		340,112,323.04	369,422,495.77

(Rs. in INR)

9	OTHER CURRENT LIABILITIES	31-03-2015	31-03-2014
a)	Advance from customers	6,302,034.15	2,964,264.61
b)	Other payables	164,208,000.00	40,070,400.00
		170,510,034.15	43,034,664.61

(Rs. in INR)

10	SHORT TERM PROVISIONS	31-03-2015	31-03-2014
a)	Provision for income tax	2,130,598.80	17,527,377.32
b)	Others	108,335,259.17	71,459,255.66
		110,465,857.97	88,986,632.98

Notes to Financial Statements for the year ended 31st March 2015

11	11. Tangible & Intangible Assets										
	Particulars	Tangible Assets						Intangible Assets			(Rs. in INR)
		Land	Building	Plant & Machinery	Furniture & Fixtures	Vehicle	Others	Total	Goodwill	Others	Total
Gross Block											
Balance as at 1 April 2013	18,328,321.20	125,330,078.02	177,817,553.27	19,623,090.34	6,321,035.21	1,679,150.14	349,099,228.18	437,411,598.00	19,630,268.04	457,041,866.04	806,141,094.22
Additions	-	9,583,945.26	2,739,942.64	3,072,334.24	177,498.93	-	15,573,721.06	-	751,153.50	751,153.50	16,324,874.57
Deletions / write off	-	-	-	-	-	-	-	-	567,664.00	567,664.00	567,664.00
Translation differences	3,442,428.00	23,620,265.19	33,420,805.09	3,711,498.28	1,188,713.32	315,378.23	65,699,088.10	85,128,760.31	3,693,288.84	88,822,049.15	154,521,137.25
Balance as at 31st March 2014	21,770,749.20	158,534,288.47	213,978,300.99	26,406,922.86	7,687,247.45	1,994,528.37	430,372,037.34	522,540,358.31	23,507,046.38	546,047,404.69	976,419,442.03
Additions	-	2,350,523.32	1,676,274.23	1,660,627.21	-	-	5,687,424.75	-	468,646.58	468,646.58	6,156,071.33
Deletions / write off	-	-	-	262,934.49	994,334.51	-	1,257,269.00	-	-	-	1,257,269.00
Translation differences	3,927,497.40	28,880,889.96	38,802,548.95	4,930,911.91	1,267,966.41	359,817.89	78,169,632.52	94,267,582.61	4,296,737.35	98,564,319.95	176,733,952.47
Balance as at 31 Mar 2015	17,843,251.80	132,003,921.82	176,852,026.26	22,873,703.67	5,424,946.54	1,634,710.48	356,632,560.58	428,272,775.70	19,678,955.61	447,951,731.31	804,584,291.89
Accumulated depreciation											
Balance as at 1 April 2013	-	15,117,320.77	161,269,802.57	18,917,610.57	6,129,617.09	1,679,150.14	203,113,501.14	-	17,070,426.57	17,070,426.57	220,183,927.70
For the year	-	4,894,775.25	6,447,954.59	868,389.25	149,326.38	-	12,360,445.47	-	501,887.95	501,887.95	12,862,333.42
Deletions / write off	-	-	-	-	-	-	-	-	-	-	-
Translation differences	-	3,053,250.35	30,171,375.63	3,560,425.20	1,152,523.77	315,378.23	38,252,953.17	-	3,210,398.80	3,210,398.80	41,463,351.97
Balance as at 31st Mar 2014	-	23,065,346.37	197,889,132.79	23,346,425.02	7,431,467.24	1,994,528.37	253,726,899.78	-	20,782,713.31	20,782,713.31	274,509,613.09
For the year	-	4,605,228.10	4,664,430.48	920,372.52	72,177.06	-	10,262,208.16	-	442,867.39	442,867.39	10,705,075.55
Deletions / write off	-	-	-	262,934.49	977,091.40	-	1,240,025.89	-	-	-	1,240,025.89
Translation differences	-	3,957,922.54	37,010,626.12	4,290,323.18	1,232,509.56	359,817.89	46,851,199.29	-	3,802,180.02	3,802,180.02	50,653,379.31
Balance as at 31 Mar 2015	-	23,712,651.92	165,542,937.15	19,713,539.87	5,294,043.34	1,634,710.48	215,897,882.76	-	17,423,400.68	17,423,400.68	233,321,283.44
Net Block											
31-Mar-14	21,770,749.20	135,468,942.10	16,089,168.20	3,060,497.85	255,780.22	-	176,645,137.56	522,540,358.31	2,724,333.07	525,264,691.38	701,909,828.94
31-Mar-15	17,843,251.80	108,291,269.90	11,309,089.12	3,160,163.80	130,903.20	-	140,734,677.82	428,272,775.70	2,255,554.93	430,528,330.63	571,263,008.45

Notes to Financial Statements for the year ended 31st March 2015

(Rs. in INR)

12	<u>NON-CURRENT INVESTMENTS (AT COST)</u>	Face Value per Share (in ₹)	31-03-2015	31-03-2014
	NON-TRADE INVESTMENTS			
	INVESTMENT IN OTHER BODIES CORPORATE			
	Banco Credito Cooperativo of Caraglio		17,668.10	21,557.04
	GRAND TOTAL (a+b+c+d)		17,668.10	21,557.04

(Rs. in INR)

13	<u>DEFERRED TAX ASSETS (NET)</u>	31-03-2015	31-03-2014
a)	As per the last Balance Sheet		
	Add: For the year	13,220,033.72	-
		13,220,033.72	-

(Rs. in INR)

14	<u>LONG TERM LOANS AND ADVANCES</u>	31-03-2015	31-03-2014
	Security deposits	393,908.99	230,373.08
		393,908.99	230,373.08
	All Loans and Advances are unsecured and considered good.		

(Rs. in INR)

15	<u>OTHER NON-CURRENT ASSETS</u>	31-03-2015	31-03-2014
	Long term trade receivable (on deferred credit terms)	-	-
		-	-
	All long term trade receivables are unsecured and considered good.		

(Rs. in INR)

16	<u>INVENTORIES</u>	31-03-2015	31-03-2014
a)	Raw materials	302,866,753.17	343,900,448.90
b)	Work in progress	116,772,066.22	149,748,027.65
c)	Finished goods	93,975,191.37	49,324,966.92
		513,614,010.75	542,973,443.47

(Rs. in INR)

17	<u>TRADE RECEIVABLES</u>	31-03-2015	31-03-2014
	Others	423,545,994.60	368,550,657.59
		423,545,994.60	368,550,657.59
	All trade receivable are unsecured and considered good.		

(Rs. in INR)

18	<u>CASH AND BANK BALANCES</u>	31-03-2015	31-03-2014
	CASH AND CASH EQUIVALENTS		
	Cash in hand	140,349.95	182,501.47
		140,349.95	182,501.47

(Rs. in INR)

19	<u>SHORT-TERM LOANS AND ADVANCES</u>	31-03-2015	31-03-2014
a)	Advances to Suppliers	7,255,330.69	813,439.97
b)	VAT Receivable (Net)	10,447,226.32	6,078,011.84
c)	Advance Tax / TDS Receivable	10,694,568.73	5,024,160.32
d)	Prepaid expenses	19,689,454.66	31,992,980.38
		48,086,580.41	43,908,592.52
	All Loans and Advances are unsecured and considered good.		

(Rs. in INR)

20	<u>OTHER CURRENT ASSETS</u>	31-03-2015	31-03-2014
	Interest accrued	-	-
		-	-

Notes to Financial Statements for the year ended 31st March 2015

(Rs. in INR)

21	REVENUE FROM OPERATIONS	31-03-2015	31-03-2014
a)	Sale of Products	1,541,293,542.98	1,462,203,374.69
b)	Sale of Services	-	-
	Gross Sales	1,541,293,542.98	1,462,203,374.69
	Less:		
c)	Excise Duty	-	-
	Net Sales	1,541,293,542.98	1,462,203,374.69
d)	Other operating revenues	-	-
	Net Sales	1,541,293,542.98	1,462,203,374.69

(Rs. in INR)

22	OTHER INCOME	31-03-2015	31-03-2014
a)	Interest Income	16,329.28	18,850.40
f)	Miscellaneous income	488,393.39	3,016,156.38
		504,722.67	3,035,006.78

(Rs. in INR)

23	COST OF MATERIALS CONSUMED	31-03-2015	31-03-2014
	Opening Stock of Raw Materials	346,693,398.35	305,092,349.87
	Purchases	932,288,262.02	1,056,090,847.00
		1,278,981,660.37	1,361,183,196.87
	Less: Closing Stock of Raw Materials	302,866,740.44	346,693,398.35
		976,114,919.93	1,014,489,798.52

(Rs. in INR)

24	PURCHASE OF TRADED GOODS	31-03-2015	31-03-2014
	Purchase of Traded goods	81,831,352.98	-
		81,831,352.98	-

(Rs. in INR)

25	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS	31-03-2015	31-03-2014
	Opening Stock of WIP	151,540,855.82	153,069,407.78
	Opening Stock of Finished Goods	49,324,966.92	36,616,716.33
		200,865,822.74	189,686,124.11
	Closing Stock of WIP	116,772,071.90	151,540,855.82
	Closing Stock of Finished Goods	93,975,198.42	49,324,966.92
		210,747,270.32	200,865,822.74
		(9,881,447.58)	(11,179,698.63)

Notes to Financial Statements for the year ended 31st March 2015

(Rs. in INR)

26	EMPLOYEE BENEFIT EXPENSES	31-03-2015	31-03-2014
	Salaries & Wages	250,802,622.90	232,952,098.24
	Welfare expenses	730,096.87	730,170.62
	MD's Remuneration (Excluding performance pay)	8,054,595.95	8,942,433.87
		259,587,315.72	242,624,702.73

(Rs. in INR)

27	FINANCE COSTS	31-03-2015	31-03-2014
	Interest Expenses	40,343,078.92	36,871,662.42
		40,343,078.92	36,871,662.42

(Rs. in INR)

28	OTHER EXPENSES	31-03-2015	31-03-2014
	Packing Charges	7,254,145.01	5,946,585.69
	Consumption of Stores	5,952,786.03	5,442,135.62
	Commission and Discount	21,501,957.63	19,141,328.93
	Power, Fuel & Lighting	8,450,484.99	9,472,512.56
	Transport Charges	27,075,163.69	25,694,519.11
	Postage, Telegrams & Telephones	1,359,896.20	1,358,012.14
	Travelling and Conveyance	4,418,206.02	3,656,525.38
	Insurance	7,718,312.58	6,532,344.72
	Advertisement and Publicity	3,269,319.95	5,539,932.39
	Repairs and Maintenance of		
	-Plant and machinery	4,321,595.66	5,020,609.62
	-Building	1,015,815.74	530,154.03
	-Other Assets	2,273,775.55	1,692,435.23
	Printing and Stationery	2,341,000.36	1,844,547.25
	Bad Debts Written off	935,065.30	1,488,487.30
	After Sales Expenses	1,495,440.71	2,778,502.72
	Rates & Tax	2,385,027.41	2,361,766.51
	Auditor's Remuneration		
	-Audit Fees	3,941,282.13	2,582,814.00
	Miscellaneous Expenses	11,750,698.78	13,964,889.53
	Subscription, Periodicals & Filing Fees	807,340.41	303,270.38
	Rent	2,047,813.89	2,278,858.18
	Legal and Consultancy Charges	3,121,754.21	8,264,305.29
	(Gain) / Loss on Exchange Fluctuation	(12,673,358.96)	594,077.85
	Bank charges	-	10,162,876.40
		110,763,523.29	136,651,490.83