

**ELGI COMPRESSORS ITALY SRL.**  
**BALANCE SHEET AS AT 31ST MARCH, 2016**

(₹ in INR)

	Particulars	Note No	31-03-2016	31-03-2015
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>SHAREHOLDERS' FUNDS</b>			
	(a) Share Capital	2	1044900	1044900
	(b) Reserves and Surplus	3	77913481	57327566
(2)	Share application money pending allotment		140311782	17570000
(3)	<b>NON-CURRENT LIABILITIES</b>			
	(a) Long-term borrowings	4	441252000	505623800
	(b) Deferred tax liabilities (Net)	5	0	0
	(c) Long term provisions	6	0	136840000
(4)	<b>CURRENT LIABILITIES</b>			
	(a) Short-term borrowings	7	351882002	321101474
	(b) Trade payables	8	302216592	340112323
	(c) Other current liabilities	9	164419986	186591528
	(d) Short-term provisions	10	29633001	4069964
	<b>TOTAL</b>		<b>1508673744</b>	<b>1570281555</b>
<b>II.</b>	<b>ASSETS</b>			
(1)	<b>NON-CURRENT ASSETS</b>			
	(a) <i>Fixed assets</i>			
	(i) Tangible assets	11	145048621	140734678
	(ii) Intangible assets	11	425164709	430528331
	(iii) Capital work-in-progress		0	0
	(b) Non-current investments	12	17668	17668
	(c) Deferred tax assets (net)	13	16361993	13220034
	(d) Long term loans and advances	14	167573	393909
	(e) Other non-current assets	15	0	0
(2)	<b>CURRENT ASSETS</b>			
	(a) Inventories	16	482630355	513614011
	(b) Trade receivables	17	372623757	423545995
	(c) Cash and cash equivalents	18	2012633	140350
	(d) Short-term loans and advances	19	64646433	48086580
	(e) Other current assets	20	0	0
	<b>TOTAL</b>		<b>1508673744</b>	<b>1570281555</b>

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

ELGI COMPRESSORS ITALY SRL.					
Statement of Profit and Loss the quarter ended 31ST MARCH, 2016					( <sup>₹</sup> in INR)
	Particulars		Note No	31-03-2016	31-03-2015
I.	REVENUE FROM OPERATIONS		21	1178412570	1541293543
II.	OTHER INCOME		22	727569	504723
III.	TOTAL REVENUE	(I + II)		1179140139	1541798266
IV.	EXPENSES:				
	Cost of materials consumed		23	691021828	976114920
	Purchase of Traded goods		24	93691442	81831353
	Changes in inventories of finished goods, work-in-progress and Traded goods		25	860854	-9881448
	Employee benefit expenses		26	208762553	259587316
	Finance Cost		27	28792189	40343079
	Depreciation and amortization expenses			10073331	10705076
	Other expenses		28	76130995	110763523
	TOTAL EXPENDITURE			1109333193	1469463819
V.	PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX	(III - IV)		69806947	72334447
VI.	EXCEPTIONAL ITEMS			43507701	0
VII.	PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX	(V-VI)		26299246	72334447
VIII.	EXTRAORDINARY ITEMS			0	0
IX.	PROFIT BEFORE TAX	(VII - VIII)		26299246	72334447
X.	TAX EXPENSE:				
	(1) CURRENT TAX			14161521	35022550
	(2) DEFERRED TAX			-1964353	-19807446
XI.	PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS	(IX - X)		14102078	57119343
XII.	PROFIT/(LOSS) FROM DISCONTINUING OPERATIONS			0	0
XIII.	TAX EXPENSE OF DISCONTINUING OPERATIONS			0	0
XIV.	PROFIT/(LOSS) FROM DISCONTINUING OPERATIONS (AFTER TAX)	(XII - XIII)		0	0
XV.	PROFIT/(LOSS) FOR THE YEAR	(XI+XIV)		14102078	57119343
The accompanying notes are an integral part of the financial statements.					

2	SHARE CAPITAL	31-03-2016	31-03-2015
	<b><u>ISSUED, SUBSCRIBED AND FULLY PAID-UP SHARES.</u></b>		
	Equity Shares of ₹ /- each fully paid	1044900	1044900
	<b>Total Issued, subscribed and fully paid-up share capital</b>	<b>1044900</b>	<b>1044900</b>

3	RESERVES AND SURPLUS	31-03-2016	31-03-2015
a)	FOREIGN CURRENCY TRANSACTION RESERVE	-1594885	-8078721
b)	SURPLUS FROM STATEMENT OF PROFIT & LOSS		
	As per the last Balance Sheet	65406288	8286944
	Add: Current year surplus	14102078	57119343
		79508366	65406287
	<b>Total (a+b)</b>	<b>77913481</b>	<b>57327566</b>

4	LONG TERM BORROWINGS	31-03-2016	31-03-2015
	From Bank	441252000	505623800
		441252000	505623800

5	DEFERRED TAX LIABILITIES (NET)	31-03-2016	31-03-2015
	As per the last Balance Sheet		
	Add: For the year	0	0
		0	0

6	LONG TERM PROVISIONS	31-03-2016	31-03-2015
	Contingent consideration to Shareholders	0	136840000
		0	136840000

7	SHORT TERM BORROWINGS	31-03-2016	31-03-2015
a)	From Bank	268284475	259129255
b)	From Others	83597527	61972219
		351882002	321101474

8	TRADE PAYABLE	31-03-2016	31-03-2015
	Others	302216592	340112323
		302216592	340112323

9	OTHER CURRENT LIABILITIES	31-03-2016	31-03-2015
a)	Current maturities of long-term debt		
b)	Unpaid dividends	106790400	73893600
c)	Advance from customers	7934948	6302034
c)	Employee related expenses payable	9051747	51603390
d)	TDS Payable / Other Taxes payable	3738662	2694516
e)	Other payables	36904229	52097988
		164419986	186591528

11. Tangible & Intangible Assets												
Particulars	Tangible Assets						Intangible Assets				Grand Total	
	Land	Building	Plant & Machinery	Furniture and Fixtures	Vehicle	Others	Total	Goodwill	Others	Total		
<b>Gross Block</b>												
Balance as at 31st April 2014	2,17,70,749	15,85,34,288	21,39,78,301	2,64,06,923	76,87,247	19,94,528	43,03,72,037	52,25,40,358	2,35,07,046	54,60,47,405	97,64,19,442	
Additions	-	23,50,523	16,76,274	16,60,627	9,94,335	-	56,87,425	-	4,68,647	4,68,647	61,56,071	
Deletions / write off	-	-	-	2,62,934	9,94,335	-	12,57,269	-	-	-	12,57,269	
Translation differences	39,27,497	2,88,80,890	3,88,02,549	49,30,912	12,67,966	3,59,818	7,81,69,633	9,42,67,563	42,96,737	9,85,64,320	17,67,33,952	
<b>Balance as at 31 March 2015</b>	<b>1,78,43,252</b>	<b>13,20,03,922</b>	<b>17,68,52,026</b>	<b>2,28,73,704</b>	<b>54,24,947</b>	<b>16,34,710</b>	<b>35,66,32,561</b>	<b>42,82,72,776</b>	<b>1,96,78,956</b>	<b>44,79,51,731</b>	<b>80,45,84,292</b>	
Additions	-	4,25,804	18,72,977	68,077	-	-	23,66,858	-	17,75,882	17,75,882	41,42,741	
Deletions / write off	-	-	-	-	-	-	-	-	-	-	-	
Translation differences	(14,96,935)	(1,10,89,139)	(1,49,02,095)	(19,21,332)	(4,55,118)	(1,37,142)	(3,00,01,761)	69,08,193	(17,12,894)	51,95,300	(2,48,06,462)	
<b>Balance as at 31st March 2016</b>	<b>1,93,40,186</b>	<b>14,35,18,865</b>	<b>19,36,27,099</b>	<b>2,48,63,113</b>	<b>58,80,065</b>	<b>17,71,852</b>	<b>38,90,01,180</b>	<b>42,13,64,583</b>	<b>2,31,67,732</b>	<b>44,45,32,314</b>	<b>83,35,33,494</b>	
<b>Accumulated depreciation</b>												
Balance as at 31st April 2014	-	2,30,65,346	19,78,89,133	2,33,46,425	74,31,467	19,94,528	25,37,26,900	-	2,07,82,713	2,07,82,713	27,45,09,613	
For the year	-	46,05,228	46,64,430	9,20,373	72,177	-	1,02,62,208	-	4,42,867	4,42,867	1,07,05,076	
Deletions / write off	-	-	-	2,62,934	9,77,091	-	12,40,026	-	-	-	12,40,026	
Translation differences	-	39,57,923	3,70,10,626	42,90,323	12,32,510	3,59,818	4,68,51,199	-	38,02,217	38,02,217	5,06,53,416	
<b>Balance as at 31 March 2015</b>	<b>-</b>	<b>2,37,12,652</b>	<b>16,55,42,937</b>	<b>1,97,13,540</b>	<b>52,94,043</b>	<b>16,34,710</b>	<b>21,58,97,883</b>	<b>-</b>	<b>1,74,23,364</b>	<b>1,74,23,364</b>	<b>23,33,21,246</b>	
For the year	-	43,17,638	42,79,858	9,43,008	66,561	-	96,07,064	-	4,66,263	4,66,263	1,00,73,327	
Deletions / write off	-	-	-	-	-	-	-	-	-	-	-	
Translation differences	-	(21,39,969)	(1,40,37,304)	(16,86,738)	(4,46,458)	(1,37,142)	(1,84,47,612)	-	(14,77,978)	(14,77,978)	(1,99,25,590)	
<b>Balance as at 31st March 2016</b>	<b>-</b>	<b>3,01,70,259</b>	<b>18,38,60,099</b>	<b>2,23,43,266</b>	<b>58,07,062</b>	<b>17,71,852</b>	<b>24,39,52,559</b>	<b>-</b>	<b>1,93,67,605</b>	<b>1,93,67,605</b>	<b>26,33,20,164</b>	
<b>Net Block</b>												
31st March 2015	1,78,43,252	10,82,91,270	1,13,09,089	31,60,164	1,30,903	-	14,07,34,678	42,82,72,776	22,55,592	43,05,28,368	57,12,63,045	
Balance as at 31st March 2016	1,93,40,186	11,33,48,605	97,67,000	25,19,827	73,002	(0)	14,50,48,621	42,13,64,583	38,00,127	42,51,64,709	57,02,13,330	

( in INR)

## Notes to Financial Statements for the year ended 31st MARCH 2016

(₹ in INR)

10	<b>SHORT TERM PROVISIONS</b>	31-03-2016	31-03-2015
a)	Provisions for employee benefits	13724717	0
b)	Provision for income tax	15908284	4069964
		29633001	4069964

(₹ in INR)

12	<b>NON-CURRENT INVESTMENTS (AT COST)</b>	No. of Shares/Unis	Face Value per Share (in ₹)	31-03-2016	31-03-2015
	<b>NON-TRADE INVESTMENTS</b>				
a)	INVESTMENT PROPERTY				
b)	INVESTMENT IN EQUITY INSTRUMENTS				
i)	INVESTMENT IN OTHER BODIES CORPORATE B.C.C.Caragallo -Rotair Sps.			17668	17668
				17668	17668
c)	OTHER INVESTMENTS				
i)	Investment in government or trust securities				
	<b>GRAND TOTAL (a+b+c+d)</b>			17668	17668

(₹ in INR)

13	<b>DEFERRED TAX ASSETS (NET)</b>	31-03-2016	31-03-2015
a)	As per the last Balance Sheet		
	Add: For the year	16361993	13220034
		16361993	13220034

(₹ in INR)

14	<b>LONG TERM LOANS AND ADVANCES</b>	31-03-2016	31-03-2015
	Security deposits	167573	393909
		167573	393909
	<b>All Loans and Advances are unsecured and considered good.</b>		

(₹ in INR)

15	<b>OTHER NON-CURRENT ASSETS</b>	31-03-2016	31-03-2015
	Long term trade receivable (on deferred credit terms)	0	0
		0	0
	<b>All long term trade receivables are unsecured and considered good.</b>		

(₹ in INR)

16	<b>INVENTORIES</b>	31-03-2016	31-03-2015
a)	Raw materials	272743912	302866753
b)	Work in progress	100880180	116772066
c)	Finished goods	109006263	93975191
		482630355	513614011

(₹ in INR)

17	<b>TRADE RECEIVABLES</b>	31-03-2016	31-03-2015
a)	Trade receivables outstanding for more than 6 months	1204074	0
b)	Others	371419683	423545995
		372623757	423545995
	<b>All trade receivable are unsecured and considered good.</b>		

## Notes to Financial Statements for the year ended 31st MARCH 2016

(₹ in INR)

18	<b>CASH AND BANK BALANCES</b>	31-03-2016	31-03-2015
a)	<b>CASH AND CASH EQUIVALENTS</b>		
i)	<b>Balance with banks</b>		
a)	In current account	1736420	0
b)	In deposits	0	0
i)	<b>Cash in hand</b>	276213	140350
		2012633	140350

(₹ in INR)

19	<b>SHORT-TERM LOANS AND ADVANCES</b>	31-03-2016	31-03-2015
a)	Advances to Suppliers	2569792	7255331
b)	Cenvat Receivable (Net)	5209406	0
c)	VAT Receivable (Net)	0	10447226
d)	Advance Tax / TDS Receivable	34114356	10694569
e)	Prepaid expenses	22752879	19689455
		64646433	48086580
	<b>All Loans and Advances are unsecured and considered good.</b>		

(₹ in INR)

20	<b>OTHER CURRENT ASSETS</b>	31-03-2016	31-03-2015
	Interest accrued	0	0
		0	0

(₹ in INR)

21	<b>REVENUE FROM OPERATIONS</b>	31-03-2016	31-03-2015
a)	<b>Sale of Products</b>	1178412570	1541293543
b)	<b>Sale of Services</b>	0	0
	<b>Gross Sales</b>	1178412570	1541293543
	<b>Less:</b>		
c)	<b>Excise Duty</b>	0	0
	<b>Net Sales</b>	1178412570	1541293543
d)	Other operating revenues	0	0
	<b>Net Sales</b>	1178412570	1541293543

(₹ in INR)

22	<b>OTHER INCOME</b>	31-03-2016	31-03-2015
a)	Interest Income	7210	16329
b)	Miscellaneous income	720359	488393
		727569	504723

(₹ in INR)

23	<b>COST OF MATERIALS CONSUMED</b>	31-03-2016	31-03-2015
	Opening Stock of Raw Materials	302866740	346693398
	Purchases	660899000	932288262
		963765740	1278981660
	<b>Less: Closing Stock of Raw Materials</b>	272743912	302866740
		691021828	976114920

## Notes to Financial Statements for the year ended 31st MARCH 2016

(₹ in INR)

24	<b>PURCHASE OF TRADED GOODS</b>	31-03-2016	31-03-2015
	Purchase of Traded goods	93691442	81831353
		93691442	81831353

(₹ in INR)

25	<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS</b>	31-03-2016	31-03-2015
	Opening Stock of WIP	116772072	151540856
	Opening Stock of Finished Goods	93975226	49324967
		210747298	200865823
	Closing Stock of WIP	100880180	116772072
	Closing Stock of Finished Goods	109006263	93975198
		209886443	210747270
		860854	-9881448

(₹ in INR)

26	<b>EMPLOYEE BENEFIT EXPENSES</b>	31-03-2016	31-03-2015
	Salaries & Wages	197491801	250802623
	Welfare expenses	390772	730097
	MD's Remuneration (Excluding performance pay)	10879979	8054596
		208762553	259587316

(₹ in INR)

27	<b>FINANCE COSTS</b>	31-03-2016	31-03-2015
	Interest Expenses	28792189	40343079
		28792189	40343079

(₹ in INR)

28	<b>OTHER EXPENSES</b>	31-03-2016	31-03-2015
	Packing Charges	6540970	7254145
	Consumption of Stores	3111177	5952786
	Commission and Discount	8422535	21501958
	Power, Fuel & Lighting	6342959	8450485
	Transport Charges	-1331052	27075164
	Postage, Telegrams & Telephones	1409645	1359896
	Travelling and Conveyance	4859060	4418206
	Insurance	7371960	7718313
	Advertisement and Publicity	3768111	3269320
	<b>Repairs and Maintenance of</b>		
	-Plant and machinery	3244108	4321596
	-Building	851132	1015816
	-Other Assets	779100	2273776
	Printing and Stationery	1952148	2341000
	Bad Debts Written off	1035034	935065
	After Sales Expenses	1664000	1495441
	Rates & Tax	1983785	2385027
	Auditor's Remuneration		
	-Audit Fees	2963858	3941282
	Miscellaneous Expenses	6248548	11750699
	Subscription, Periodicals & Filing Fees	813996	807340
	Rent	3062998	2047814
	Legal and Consultancy Charges	6177154	3121754
	(Gain) / Loss on Exchange Fluctuation	1744310	-12673359
	Bank charges	3115458	0
		76130995	110763523