

Statement of Unaudited Consolidated Financial Results for the quarter and half year ended September 30, 2020

(Rs. in Millions, except share and per equity share data)

S. No.	Particulars	Quarter ended			Half-year ended		Year ended
		September 30, 2020	June 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	March 31, 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	(a) Revenue from operations	4,802.69	2,861.29	4,447.44	7,663.98	9,113.84	18,293.92
	(b) Other income (refer note 3)	52.60	57.44	31.86	110.04	59.17	132.14
	Total income	4,855.29	2,918.73	4,479.30	7,774.02	9,173.01	18,426.06
2	Expenses						
	(a) Cost of materials consumed	1,533.71	843.11	1,736.68	2,376.82	3,906.50	7,571.66
	(b) Purchases of stock-in-trade	777.67	484.60	672.26	1,262.27	1,424.06	2,531.23
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	194.42	157.67	(32.70)	352.09	(462.56)	(296.57)
	(e) Employee benefits expense (refer note 3)	1,010.37	875.98	962.23	1,886.35	1,972.79	4,045.64
	(f) Finance costs	34.48	36.92	36.47	71.40	75.52	155.47
	(g) Depreciation and amortisation expense	181.69	174.50	156.55	356.19	308.23	652.32
	(h) Other expenses	623.21	413.14	774.86	1,036.35	1,518.16	3,083.10
	Total expenses	4,355.55	2,985.92	4,306.35	7,341.47	8,742.70	17,742.85
3	Profit/(loss) before share of profit/(loss) of joint ventures and tax (1 - 2)	499.74	(67.19)	172.95	432.55	430.31	683.21
4	Share of Profit/(loss) of joint venture	9.87	(0.23)	2.18	9.64	7.34	12.40
5	Profit/(loss) before tax (3+ 4)	509.61	(67.42)	175.13	442.19	437.65	695.61
6	Tax expense:						
	Current tax	136.59	(4.25)	87.08	132.34	191.40	378.94
	Deferred tax	40.56	24.14	(28.47)	64.70	(40.33)	(109.00)
7	Net Profit/(loss) for the period (5 -6)	332.46	(87.31)	116.52	245.15	286.58	425.67
8	Other comprehensive income/(loss), net of income tax						
	A. Items that will not be reclassified to profit or loss	(3.30)	13.75	(16.95)	10.45	(16.99)	(23.27)
	B. Items that will be reclassified to profit or loss	(17.64)	7.70	21.67	(9.94)	20.19	133.14
	Total other comprehensive income, net of income tax	(20.94)	21.45	4.72	0.51	3.20	109.87
9	Total comprehensive income/(loss) for the period (7 +8)	311.52	(65.86)	121.24	245.66	289.78	535.54
	Net Profit/(loss) attributable to:						
	- Owners	332.46	(87.31)	116.52	245.15	286.58	425.67
	- Non-controlling interests	-	-	-	-	-	-
	Total comprehensive income/(loss) attributable to:						
	- Owners	311.52	(65.86)	121.24	245.66	289.78	535.54
	- Non-controlling interests	-	-	-	-	-	-
10	Paid-up equity share capital (Face value Re. 1/- each)	316.91	158.45	158.45	316.91	158.45	158.45
11	Earnings/(loss) per share (of Re. 1 /- each) (not annualised):						
	Weighted average number of ordinary shares outstanding (refer note 5)	316.62	316.68	316.68	316.65	316.68	316.68
	(a) Basic	1.05	(0.28)	0.37	0.77	0.90	1.34
	(b) Diluted	1.05	(0.28)	0.37	0.77	0.90	1.34
12	Reserves excluding Revaluation reserve						7,531.48

For and on behalf of the Board of Directors

Place: Durham, North Carolina, USA
Date: November 06, 2020

Jairam Varadaraj
Managing Director

Notes:

1	The above consolidated financial results were reviewed by the Audit Committee and approved by the Board of Directors of Elgi Equipments Limited ("the Company") at their meeting held on November 06, 2020. The statutory auditors of the Company have carried out a limited review of the above financial results for the quarter ended September 30, 2020.
2	This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
3	<p>Businesses across the world have been impacted by the outbreak of COVID-19 pandemic and the consequent restrictions imposed by the governments. While the Group's operations and the Consolidated financial results for the quarter ended June 30, 2020 were adversely impacted, the Group experienced significant recovery in the quarter ended September 30, 2020. The Group continues to execute measures to address the operational challenges and to reduce costs, including availing of benefits under the various government support schemes announced in the countries where the Group operates. During the quarter ended September 30, 2020, the Group has recognised subsidies/benefits from government support schemes amounting to Rs. 83.47 million (Quarter ended June 2020 Rs 149.84 million) against Employee benefit expenses and Rs. 10.31 million (Quarter ended June 2020 Rs 9.56 million) as other income. The amount of benefit recognised in the results for half year ended September 30, 2020 was Rs 233.31 million and Rs 19.87 million in Employee benefit expense and Other income, respectively. The Group has assessed the impact of pandemic on its financial results/position based on the internal and external information available up to the date of approval of these financial results and expects to recover the carrying amounts of financial assets. The Group will continue to monitor any material changes to future economic conditions and consequential impact on its consolidated financial results.</p> <p>The Statutory auditors have drawn attention to the above matter in their auditor's report.</p>
4	The Group has organised the businesses into two categories viz., Air Compressors and Automotive Equipments. This reporting complies with the Ind AS segment reporting principles. Refer Annexure I attached herewith.
5	<p>During the quarter ended September 30, 2020, the Company allotted bonus equity shares of ₹1/- each, credited as fully paid up equity shares to the holders of the existing equity shares of the Company in the proportion of one equity share of the Company for every one existing equity shares of the Company, by way of capitalizing a part of the securities premium account of the Company.</p> <p>Also, the calculation of basic and diluted earnings per share for all periods presented are adjusted retrospectively for the above-mentioned bonus issue.</p>
6	During the quarter ended September 30, 2020 the Elgi Equipments Limited ESOP Trust has purchased 185,000 shares from the secondary market for the purpose of implementation the Elgi Equipments Limited Employees Stock Option Plan, 2019.
7	<p>The above statements includes the results of the following entities:</p> <p>Subsidiaries</p> <ol style="list-style-type: none"> 1. Adisons Precision Instruments Manufacturing Company Limited 2. ATS Elgi Limited 3. Elgi Equipments (Zhejiang) Limited 4. Elgi Gulf FZE 5. Elgi Compressors Do Brasil Imp.E.Exp LTDA 6. Elgi Equipments Australia Pty Limited 7. Elgi Compressors Italy S.R.L 8. Rotair SPA 9. Elgi Compressors USA Inc. 10. Patton's Inc. 11. Patton's Medical LLC. 12. PT Elgi Equipments Indonesia 13. Ergo Design Private Limited 14. Industrial Air Compressors Pty Ltd 15. F.R. Pulford & Son Pty Limited 16. Advanced Air Compressors Pty Ltd 17. Elgi Compressors Europe S.R.L 18. Elgi Gulf Mechanical and Engineering Equipment Trading LLC 19. Michigan Air Solutions LLC. 20. Elgi Compressors Iberia S.L. 21. Elgi Equipments Limited Employees Stock Option Trust <p>Joint ventures</p> <ol style="list-style-type: none"> 1. Elgi Sauer Compressors Limited 2. Industrial Air Solutions LLP 3. Evergreen Compressed Air and Vacuum LLC (jointly controlled entity of Elgi Compressors USA Inc.) 4. Compressed Air Solutions of Texas LLC (jointly controlled entity of Elgi Compressors USA Inc.) 5. PLA Holding Company LLC (jointly controlled entity of Elgi Compressors USA Inc.) <p>Joint operations</p> <ol style="list-style-type: none"> 1. L.G. Balakrishnan & Bros. 2. Elgi Services
8	Figures for the comparative periods have been regrouped wherever necessary in conformity with present classification.

For and on behalf of the Board of Directors

Place: Durham, North Carolina, USA
Date: November 06, 2020

**Jairam Varadaraj
Managing Director**