



BSE LIMITED PHIROZE JEEJEEBHOY TOWERS DALAL STREET MUMBAI - 400001	NATIONAL STOCK EXCHANGE OF INDIA LIMITED "EXCHANGE PLAZA" BANDRA KURLA COMPLEX BANDRA (E) MUMBAI - 400051
Scrip Code: 522074	Scrip Code: ELGIEQUIP

Dear Sirs,

DATE: 14/08/2020

**Sub: Intimation of the outcome of the Board Meeting held on 14th August, 2020 and Disclosure under SEBI (Listing Obligations & Disclosure Requirements) Regulation; 2015.**

We refer to our Letter dated 06/08/2020, intimating you of the convening of the meeting of the Board of Directors of our Company. In this regard, we wish to inform that the Board of Directors of our Company met today and approved the following;

**Unaudited Financial Result for the quarter ended 30/06/2020:**

The Unaudited Financial Results for the quarter ended 30/06/2020 in the format prescribed under Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 and pursuant to SEBI Circular No. CIR/CFD/FAC/62/2016 dated 05th July, 2016. In this connection, we enclose the following:

- Unaudited Standalone Financial Results for the quarter ended 30/06/2020
- Unaudited Consolidated Financial Results for the quarter ended 30/06/2020
- Limited Review Report issued by M/s. Price Waterhouse Chartered Accountants LLP, Chartered Accountants, Statutory Auditors on the Standalone and Consolidated Financial Results for the quarter ended 30/06/2020.
- Segment Report
- Press Release being made in this connection.

Pursuant to Regulation 47 of the Listing Regulations and above mentioned SEBI Circular, we would be publishing an extract of the consolidated financial results in the prescribed format in English and Tamil newspapers within the stipulated time. The detailed standalone financial results and consolidated financial results of the Company would be available on the website of the Company [www.elgi.com](http://www.elgi.com) as well on the website of Stock Exchanges.

Kindly take the above information on record.

Thanking you,  
Yours faithfully,

For **ELGI EQUIPMENTS LIMITED**  
  
**RAGUNATHAN K**  
**COMPANY SECRETARY**

**ELGI EQUIPMENTS LIMITED**

Trichy Road, Singanailur, Coimbatore - 641005, Tamilnadu, India

**T** : +91 422 2589 555, **W** : [www.elgi.com](http://www.elgi.com), **Toll - free No** : 1800-425-3544, **CIN** : L29120TZ1960PLC000351



**Statement of Standalone Unaudited Financial Results for the quarter ended June 30, 2020**

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

S. No.	Particulars	Quarter ended		Year ended	
		June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
		(Unaudited)	Audited (Refer note 6)	(Unaudited)	(Audited)
1	<b>Income</b>				
	(a) Revenue from operations	1,091.59	2,492.90	2,777.10	10,811.44
	(b) Other income	95.96	306.11	25.86	494.31
	<b>Total income</b>	<b>1,187.55</b>	<b>2,799.01</b>	<b>2,802.96</b>	<b>11,305.75</b>
2	<b>Expenses</b>				
	(a) Cost of materials consumed	497.11	1,311.84	1,358.29	5,353.64
	(b) Purchase of stock-in-trade	97.02	279.92	266.27	1,050.87
	(c) Changes in inventory of finished goods, stock-in-trade and work-in-progress	112.30	(209.36)	(15.23)	(190.42)
	(d) Employee benefits expense	342.34	365.69	454.65	1,639.35
	(e) Finance costs	11.93	10.97	8.04	43.08
	(f) Depreciation and amortisation expense	88.88	94.37	86.82	366.32
	(g) Other expenses	194.09	406.29	447.16	1,745.32
	<b>Total expenses</b>	<b>1,344.67</b>	<b>2,259.78</b>	<b>2,606.23</b>	<b>10,027.82</b>
3	<b>Profit/(loss) before tax (1 - 2)</b>	<b>(157.12)</b>	<b>539.23</b>	<b>196.73</b>	<b>1,277.93</b>
4	<b>Tax expenses</b>				
	Current tax	(24.45)	109.89	62.00	326.71
	Deferred tax	10.07	(82.75)	(4.30)	(52.02)
5	<b>Net Profit/(loss) for the period (3 - 4)</b>	<b>(70.60)</b>	<b>456.48</b>	<b>130.43</b>	<b>1,099.62</b>
6	<b>Other comprehensive income/(loss), net of income tax</b>				
	A. Items that will not be reclassified to profit or loss	12.75	(10.49)	(0.04)	(16.04)
	B. Items that will be reclassified to profit or loss	-	-	-	-
	<b>Total other comprehensive income/(loss), net of income tax</b>	<b>12.75</b>	<b>(10.49)</b>	<b>(0.04)</b>	<b>(16.04)</b>
7	<b>Total comprehensive income/(loss) for the period (5+6)</b>	<b>(57.85)</b>	<b>445.99</b>	<b>130.39</b>	<b>1,083.58</b>
8	<b>Paid-up equity share capital (Face value Rs. 1/- each)</b>	<b>158.34</b>	<b>158.34</b>	<b>158.34</b>	<b>158.34</b>
9	<b>Earnings/(loss) per share (of Rs. 1/- each) (not annualised)</b>				
	(a) Basic	<b>(0.45)</b>	<b>2.85</b>	<b>0.88</b>	<b>6.34</b>
	(b) Diluted	<b>(0.45)</b>	<b>2.85</b>	<b>0.88</b>	<b>6.34</b>
10	<b>Reserves including Retention reserve</b>				<b>6,941.74</b>

For and on behalf of the Board of Directors

Place: Coimbatore  
Date: August 14, 2020

  
Jalram Vaidara  
Managing Director



**ELGI EQUIPMENTS LIMITED**

Trichy Road, Singanailur, Coimbatore - 641006, Tamilnadu, India

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**Notes:**

1	The above standalone 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 August 14, 2020. The statutory auditors of the Company have carried out a limited review of the above financial results for the quarter ended June 30, 2020.
2	This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2005 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
3	The Company's operations and standalone financial results for the quarter ended June 30, 2020 have been adversely impacted by the outbreak of COVID-19 pandemic and the consequent lockdown announced by the central and state governments. Consequently, the operations were suspended for large part of the quarter and resumed only gradually with prescribed regulations and precautions. The standalone financial results for the current quarter are therefore not comparable with those of the previous periods. The Company has been taking several measures to address the operational challenges and to reduce costs. The Company 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 assets. The Company will continue to monitor any material changes in future economic conditions and consequential impact on its standalone financial results.  The Statutory auditors have drawn attention to the above matter in their auditor's report.
4	The business activities reflected in the above financial results comprise of manufacturing and sale of compressors. Accordingly, there is no other reportable segment as per Ind AS 108 Operating Segments.
5	On the occasion of the 60th anniversary of the Company, the Board of Directors has recommended for issue of bonus shares in the proportion of one new equity share of the Company for every one existing equity shares of the Company held by the members, by capitalising a part of the free reserves and/or the securities premium account of the Company as at March 31, 2020. The said issue of bonus shares is subject to the approval of the members.
6	The figures for the quarter ended March 31, 2020 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and the published year to date figures upto the third quarter ended December 31, 2019.
7	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: Coimbatore  
Date: August 14, 2020

  
Jairesh Vasudevaraj  
Managing Director



**ELGI EQUIPMENTS LIMITED**

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**Statement of Consolidated Unaudited Financial Results for the quarter ended June 30, 2020**

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

S. No.	Particulars	Quarter ended		Year ended	
		June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
		(Unaudited)	Audited (Refer note 7)	(Unaudited)	(Audited)
1	<b>Income</b>				
	(a) Revenue from operations	2,861.29	4,347.06	4,666.40	18,293.92
	(b) Other income (refer note 3)	57.44	7.21	36.41	132.14
	<b>Total income</b>	<b>2,918.73</b>	<b>4,354.27</b>	<b>4,702.81</b>	<b>18,426.06</b>
2	<b>Expenses</b>				
	(a) Cost of materials consumed	843.11	1,854.43	2,169.82	7,571.66
	(b) Purchases of stock-in-trade	484.60	467.25	751.80	2,531.23
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	157.67	153.80	(429.86)	(296.57)
	(d) Employee benefits expense (refer note 3)	875.98	1,020.63	1,020.56	4,045.64
	(f) Finance costs	56.92	41.08	39.05	135.47
	(g) Depreciation and amortisation expense	174.50	175.11	151.68	652.32
	(h) Other expenses	413.14	780.52	752.40	3,083.10
	<b>Total expenses</b>	<b>2,985.92</b>	<b>4,492.84</b>	<b>4,443.45</b>	<b>17,742.85</b>
3	<b>Profit/(loss) before share of profit/(loss) of joint ventures and tax (1 - 2)</b>	<b>(67.19)</b>	<b>61.43</b>	<b>257.36</b>	<b>683.21</b>
4	<b>Share of Profit/(loss) of joint venture</b>	<b>(0.23)</b>	<b>(0.87)</b>	<b>5.16</b>	<b>12.40</b>
5	<b>Profit/(loss) before tax (3+ 4)</b>	<b>(67.42)</b>	<b>60.56</b>	<b>262.52</b>	<b>695.61</b>
6	<b>Tax expense:</b>				
	Current tax	(4.35)	97.16	104.32	378.94
	Deferred tax	24.34	(67.11)	(11.86)	(109.00)
7	<b>Net Profit/(loss) for the period (5 - 6)</b>	<b>(87.31)</b>	<b>10.51</b>	<b>170.06</b>	<b>425.67</b>
8	<b>Other comprehensive income/(loss), net of income tax</b>				
	A. Items that will not be reclassified to profit or loss	13.75	(7.70)	(0.04)	(23.27)
	B. Items that will be reclassified to profit or loss	7.70	86.03	(1.48)	133.14
	<b>Total other comprehensive income, net of income tax</b>	<b>21.45</b>	<b>78.33</b>	<b>(1.52)</b>	<b>109.87</b>
9	<b>Total comprehensive income/(loss) for the period (7 + 8)</b>	<b>(65.86)</b>	<b>88.84</b>	<b>168.54</b>	<b>535.54</b>
	<b>Net Profit/(loss) attributable to:</b>				
	- Owners	(87.31)	10.51	170.06	425.67
	- Non-controlling interests	-	-	-	-
	<b>Total comprehensive income/(loss) attributable to:</b>				
	- Owners	(65.86)	88.84	168.54	535.54
	- Non-controlling interests	-	-	-	-
10	<b>Paid-up equity share capital (Face value Re. 1/- each)</b>	<b>158.34</b>	<b>158.34</b>	<b>158.34</b>	<b>158.34</b>
11	<b>Earnings/(loss) per share (of Re. 1/- each) (not annualised):</b>				
	(a) Basic	(0.55)	0.07	1.07	2.69
	(b) Diluted	(0.55)	0.07	1.07	2.69
12	<b>Reserves excluding Revaluation reserve</b>				<b>7,531.48</b>

For and on behalf of the Board of Directors

Place: Coimbatore  
Date: August 14, 2020



*Jairam V. Vadnagar*  
Jairam Vadnagar  
Managing Director

**ELGI EQUIPMENTS LIMITED**

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#### 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 August 14, 2020. The statutory auditors of the Company have carried out a limited review of the above financial results for the quarter ended June 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>The Group's operations and consolidated financial results for the quarter ended June 30, 2020 have been adversely impacted by the outbreak of COVID-19 pandemic and the consequent lockdown announced by governments in many of the jurisdictions in which the Group operates. Consequently, the operations were suspended for large part of the quarter and resumed only gradually with prescribed regulations and precautions. The consolidated financial results for the current quarter are therefore not comparable with those of the previous periods.</p> <p>The Group has been taking several measures to address the operational challenges, including cost reduction initiatives and availing of benefits under the various government support schemes announced in the countries where the Group operates. During the quarter ended June 30, 2020, the Group has recognised subsidies/benefits from government support schemes amounting to Rs. 149.84 million against Employee benefit expenses and Rs. 9.56 million as other income. 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 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	On the occasion of the 60th anniversary of the Company, the Board of Directors has recommended for issue of bonus shares in the proportion of one new equity share of the Company for every one existing equity shares of the Company held by the members, by capitalizing a part of the free reserves and/or the securities premium account of the Company as at March 31, 2020. The said issue of bonus shares is subject to the approval of the members.
6	<p>The above statements include the results of the following entities:</p> <p><b>Subsidiaries</b></p> <ol style="list-style-type: none"> <li>1. Adison Precision Instruments Manufacturing Company Limited</li> <li>2. ATS Elgi Limited</li> <li>3. Elgi Equipments (Zhejiang) Limited</li> <li>4. Elgi Gulf FZE</li> <li>5. Elgi Compressors Do Brasil Imp.E. Exp LTDA</li> <li>6. Elgi Equipments Australia Pty Limited</li> <li>7. Elgi Compressors Italy S.R.L.</li> <li>8. Rotair SPA</li> <li>9. Elgi Compressors USA Inc.</li> <li>10. Patton's Inc.</li> <li>11. Patton's Medical LLC</li> <li>12. PT Elgi Equipments Indonesia</li> <li>13. Ergo Design Private Limited</li> <li>14. Industrial Air Compressors Pty Ltd</li> <li>15. F.R. Palford &amp; Son Pty Limited</li> <li>16. Advanced Air Compressors Pty Ltd</li> <li>17. Elgi Compressors Europe S.R.L.</li> <li>18. Elgi Gulf Mechanical and Engineering Equipment Trading LLC</li> <li>19. Michigan Air Solutions LLC</li> <li>20. Elgi Compressors Iberia S.L.</li> </ol> <p><b>Joint ventures</b></p> <ol style="list-style-type: none"> <li>1. Elgi Sauer Compressors Limited</li> <li>2. Industrial Air Solutions LLP</li> <li>3. Evergreen Compressed Air and Vacuum LLC (jointly controlled entity of Elgi Compressors USA Inc.)</li> <li>4. Compressed Air Solutions of Texas LLC (jointly controlled entity of Elgi Compressors USA Inc.)</li> </ol> <p><b>Joint operations</b></p> <ol style="list-style-type: none"> <li>1. L.G. Balakrishnan &amp; Bros.</li> <li>2. Elgi Services</li> </ol>
7	The figures for the quarter ended March 31, 2020 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and the published year to date figures upto the third quarter ended December 31, 2019.
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: Coimbatore  
Date: August 14, 2020




*Jairam Vasudhara*  
Jairam Vasudhara  
Managing Director

#### ELGI EQUIPMENTS LIMITED

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Annexure I - Segment Revenue, Results and Capital Employed					
(Rs. in Millions)					
Sl No.	Particulars	Quarter ended			Year ended
		June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	<b>Segment Revenue</b>				
	a) Air Compressors	2,666.36	4,172.02	4,213.98	16,575.42
	b) Automotive equipments	195.14	375.46	452.90	1,721.86
		<b>2,861.50</b>	<b>4,547.48</b>	<b>4,666.88</b>	<b>18,297.28</b>
	Less: Inter segment revenue	0.21	0.42	0.48	3.36
	<b>Income from operations</b>	<b>2,861.29</b>	<b>4,547.06</b>	<b>4,666.40</b>	<b>18,293.92</b>
2	<b>Segment Results</b> (Profit/(loss) before share of profit/(loss) of joint ventures and tax)				
	a) Air Compressors	(49.50)	29.91	227.06	562.95
	b) Automotive equipments	(17.84)	31.34	30.07	119.39
		<b>(67.34)</b>	<b>61.25</b>	<b>257.13</b>	<b>682.34</b>
	Add: Inter segment result	0.15	0.18	0.23	0.87
		<b>(67.19)</b>	<b>61.43</b>	<b>257.36</b>	<b>683.21</b>
3	<b>Segment Assets</b>				
	a) Air Compressors	14,134.54	14,364.35	13,702.27	14,364.35
	b) Automotive equipments	1,209.66	1,204.80	1,181.99	1,204.80
		<b>15,344.20</b>	<b>15,569.15</b>	<b>14,884.26</b>	<b>15,569.15</b>
	Less: Inter segment assets	17.34	18.49	21.97	18.49
		<b>15,326.86</b>	<b>15,550.66</b>	<b>14,862.29</b>	<b>15,550.66</b>
4	<b>Segment Liabilities</b>				
	a) Air Compressors	7,330.99	7,497.35	6,641.33	7,497.35
	b) Automotive equipments	289.43	382.74	367.52	382.74
		<b>7,620.41</b>	<b>7,880.09</b>	<b>7,008.85</b>	<b>7,880.09</b>
	Less: Inter segment liabilities	18.36	19.36	22.20	19.36
		<b>7,602.05</b>	<b>7,860.73</b>	<b>6,986.65</b>	<b>7,860.73</b>
5	<b>Capital Employed</b> (Segment Assets - Segment Liabilities)				
	a) Air Compressors	6,803.55	6,867.00	7,060.94	6,867.00
	b) Automotive equipments	820.34	822.06	815.47	822.06
		<b>7,623.79</b>	<b>7,689.06</b>	<b>7,876.41</b>	<b>7,689.06</b>
	Add: Inter segment capital employed	1.02	0.87	0.23	0.87
		<b>7,624.81</b>	<b>7,689.93</b>	<b>7,876.64</b>	<b>7,689.93</b>
For and on behalf of the Board of Directors					
Place: Coimbatore Date : August 14, 2020		 <b>Jairam Varadaraj</b> Managing Director			



# **ELGI EQUIPMENTS LIMITED**

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## Price Waterhouse Chartered Accountants LLP

### Independent Auditors' Report on Review of Standalone Unaudited Financial Results

To

The Board of Directors

Elgi Equipments Limited

Elgi Industrial Complex III

Trichy Road, Singanailur

Coimbatore - 641 005

1. We have reviewed the standalone unaudited financial results of Elgi Equipments Limited (the "Company") [in which are included results of two jointly controlled entities (representing joint operations)] for the quarter ended June 30, 2020 which are included in the accompanying 'Statement of Standalone Unaudited Financial Results for the Quarter ended June 30, 2020' (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes.
2. The Statement is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we could become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw your attention to Note 3 to the statement, which describes the management's assessment of the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Company and the adjustments made to these standalone unaudited financial results. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our conclusion is not modified in respect of this matter.

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Price Waterhouse is Partnership Firm Converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership) with effect from July 01, 2019. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ROC registration number is 811702 (MCA21) and its CIN number is 811702 (MCA21).




## **Price Waterhouse Chartered Accountants LLP**

6. The Standalone unaudited financial results include the interim financial results of two jointly controlled entities (representing joint operations), which have not been reviewed by their auditors, whose interim financial results reflect total revenue of Rs. Nil, total net profit after tax of Rs. 0.08 million and total comprehensive income of Rs. 0.08 million for the quarter ended June 30, 2020 as considered in the standalone unaudited financial results. According to the information and explanations given to us by the management, these interim financial results are not material to the Company.

Our conclusion on the statement is not modified in respect of the above matter.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016  
Chartered Accountants

  
Sankar Panmureselvam  
Partner  
Membership Number: 213126  
UDIN: 20213126AAAADY7077

Place: Chennai  
Date: August 14, 2020



### Independent Auditors' Report on Review of Consolidated Unaudited Financial Results

To  
The Board of Directors  
Elgi Equipments Limited  
Elgi Industrial Complex III  
Trichy Road, Singanailur,  
Coimbatore - 641 005

1. We have reviewed the Consolidated Unaudited Financial Results of Elgi Equipments Limited (the "Parent"), its subsidiaries (the parent and its subsidiaries hereinafter referred to as the "Group") and jointly controlled entities (refer Note 6 on the Statement) for the quarter ended June 30, 2020 which are included in the accompanying "Statement of Consolidated Unaudited Financial results for the Quarter ended June 30, 2020" (the "Statement"). The Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), which has been initiated by us for identification purposes.
2. This Statement, which is the responsibility of the Parent's Management and has been approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

## Subsidiaries:

- i. Elgi Compressor USA Inc., its subsidiaries and its jointly controlled entities
- ii. PT Elgi Equipments Indonesia
- iii. ATS Elgi Limited
- iv. Adison Precision Instruments Manufacturing Company Limited
- v. Ergo Design Private Limited

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Print: Waterhouse is a Partnership Firm Converted into Price Waterhouse Chartered Accountants LLP a Limited Liability Partnership firm with effect from July 05, 2016. Post its conversion to Price Waterhouse Chartered Accountants LLP, its KAN registration number is ULLP-0798-2016-KAN. Registration with effect before 05/07/2016.



## Price Waterhouse Chartered Accountants LLP

- vi. Elgi Equipments (Zhejiang) Limited
- vii. Elgi Gulf FZE, and its subsidiary
- viii. Elgi Compressors Do Brazil Imp. E. Exp. Ltda
- ix. Elgi Equipments Australia Pty Ltd.
- x. Industrial Air Compressors Pty Ltd. and its subsidiaries
- xi. Elgi Compressors Italy S.R.L. (formerly known as Elgi Compressors Europe SRL) and its subsidiaries

### Jointly controlled entities

- i. Elgi Sauer Compressors Limited (Joint Venture)
  - ii. Industrial Air Solutions LLP (Joint Venture)
  - iii. L.G. Balakrishnan & Bros (Joint Operations)
  - iv. Elgi Services (Joint Operations)
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw your attention to Note 3 to the statement, which describes the assessment of management of the Holding Company and one of its Subsidiary ATS Elgi Limited, reviewed by us, of the impact of the outbreak of Coronavirus (COVID -19) on the business operations of the Company and its subsidiary and the adjustments made to these consolidated unaudited financial results. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our conclusion is not modified in respect of this matter.
7. We did not review the interim financial results of seven subsidiaries (including their relevant step-down subsidiaries and jointly controlled entities) included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs. 1,810.15 million, total net loss after tax of Rs. 6.75 million and total comprehensive loss of Rs. 7.31 million, for the quarter ended June 30, 2020, as considered in the consolidated unaudited financial results. These interim financial results have been reviewed by other auditors in accordance with SRE 2400, Engagements to Review Historical Financial Statements and their reports dated August 13, 2020, vide which they have issued an unmodified conclusion, have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries (including their relevant step-down subsidiaries and jointly controlled entities), is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matters.

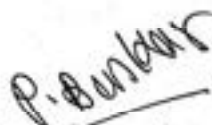


## **Price Waterhouse Chartered Accountants LLP**

8. The consolidated unaudited financial results includes the interim financial results of three subsidiaries and two jointly controlled entities (representing joint operations) which have not been reviewed by their auditors, whose interim financial results reflect total revenue of Rs. 18.97 million, total net profit after tax of Rs. 1.58 million and total comprehensive income of Rs. 6.01 million for the quarter ended June 30, 2020, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of net loss after tax of Rs. 0.72 million and total comprehensive loss of Rs. 0.72 million for the quarter ended June 30, 2020 as considered in the consolidated unaudited financial results, in respect of two joint ventures, based on their interim financial results which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

**For Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number: 012754N/N500016  
Chartered Accountants



**Baskar Pannerselvam**  
Partner

Place: Chennai  
Date: August 14, 2020

Membership Number: 213126  
UDIN: 20213126AAAADZ2724

**Press Release – 14/08/2020****Elgi Equipments Limited – First quarter 2020-21 results**

Elgi Equipments Ltd, manufacturer of air compressors, announced today the results for the first quarter ended 30<sup>th</sup> June, 2020, posting a negative PAT of Rs.8.7 Crore for the quarter, compared to a positive PAT of Rs. 17 Crore in the same period in 2019-2020 on a consolidated basis. The COVID-19 pandemic affected the company's business globally with the most severe impact seen in April'20 when lockdowns were in force in multiple geographies.

Consolidated sales for the quarter was Rs.286 Crore as against Rs.467 Crore in the corresponding quarter in 2019-2020.

The standalone negative PAT for the quarter was Rs.7.1 Crore as compared to a positive PAT of Rs.13.9 Crore in the same period in 2019-20.

Despite the COVID-19 pandemic, the Company's compressor business performed well in select markets like Australia and USA while in India sales was impacted due to complete lockdown in April'20 and partial lockdowns in May / June. In India, segments such as Pharmaceuticals, Food & Beverage are doing reasonably well, post lifting of the complete lockdown. Capacity utilization in most geographies has been significantly below normal levels and capacity creation has been subdued.

The Company's automotive business sales declined by 58% compared to the corresponding period in the last year as the COVID-19 pandemic has impacted the sales of the division. But the division has witnessed progressive improvement in the sales revenue from June 2020 onwards.

The Board of Directors has considered and recommended issue of bonus shares in the proportion of one new equity share for every one existing equity share to the shareholders.

**Outlook for the second quarter 2020-21**

Business outlook for year ahead continues to be uncertain even though the Company has improved sales and inflows in June'20 and July'20. Many countries are slowly limping back to normal and business is expected to grow progressively from now on. The Company will continue to monitor the growth of segments that are showing promise. Overall, the outlook appears to be better for Q2 than Q1.

**For ELGI EQUIPMENTS LIMITED**

  
**JAIRAM VARADARAJ**  
Managing Director

**ELGI EQUIPMENTS LIMITED**

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