



Statement of Consolidated Financial Results for the quarter and year ended March 31, 2021

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

S. No.	Particulars	Quarter ended			Year ended	
		March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
		Audited (Refer note 10)	(Unaudited)	Audited (Refer note 10)	(Audited)	(Audited)
1	Income					
	(a) Revenue from operations	6,105.91	5,470.61	4,547.06	19,240.50	18,293.92
	(b) Other income (refer note 3)	57.80	67.14	7.21	234.98	132.14
	Total income	6,163.71	5,537.75	4,554.27	19,475.48	18,426.06
2	Expenses					
	(a) Cost of materials consumed	2,454.30	2,224.16	1,854.45	7,055.28	7,571.66
	(b) Purchases of stock-in-trade	871.50	780.25	467.25	2,914.02	2,531.23
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	10.43	(56.12)	153.80	306.40	(296.57)
	(e) Employee benefits expense (refer note 3 & 6)	1,123.32	1,107.75	1,020.63	4,117.42	4,045.64
	(f) Finance costs	31.63	31.80	41.08	134.83	155.47
	(g) Depreciation and amortisation expense	196.42	190.77	175.11	743.38	652.32
	(h) Other expenses	854.56	799.90	780.52	2,690.81	3,083.10
	Total expenses	5,542.16	5,078.51	4,492.84	17,962.14	17,742.85
3	Profit before share of profit/(loss) of joint ventures and tax (1 - 2)	621.55	459.24	61.43	1,513.34	683.21
4	Share of Profit/(loss) of joint venture	6.25	(1.73)	(0.87)	14.16	12.40
5	Profit before tax (3+ 4)	627.80	457.51	60.56	1,527.50	695.61
6	Tax expense:					
	Current tax	217.12	166.11	97.16	515.57	378.94
	Deferred tax	(22.95)	(54.67)	(47.11)	(12.92)	(109.00)
7	Net Profit for the period (5 - 6)	433.63	346.07	10.51	1,024.85	425.67
8	Other comprehensive income/(loss), net of income tax					
	A. Items that will not be reclassified to profit or loss	14.36	22.67	(7.70)	47.48	(23.27)
	B. Items that will be reclassified to profit or loss	(6.88)	(5.36)	86.03	(22.18)	133.14
	Total other comprehensive income, net of income tax	7.48	17.31	78.33	25.30	109.87
9	Total comprehensive income for the period (7 +8)	441.11	363.38	88.84	1,050.15	535.54
	Net Profit attributable to:					
	- Owners	433.63	346.07	10.51	1,024.85	425.67
	- Non-controlling interests	-	-	-	-	-
	Total comprehensive income attributable to:					
	- Owners	441.11	363.38	88.84	1,050.15	535.54
	- Non-controlling interests	-	-	-	-	-
10	Paid-up equity share capital (Face value Re. 1/- each)	316.91	316.91	158.45	316.91	158.45
11	Weighted average number of shares outstanding for					
	(a) Basic EPS	316.31	316.31	316.68	316.48	316.68
	(b) Diluted EPS	316.41	316.34	316.68	316.48	316.68
12	Earnings per share (of Re. 1 /- each) (not annualised):					
	(a) Basic	1.37	1.09	0.03	3.24	1.34
	(b) Diluted	1.37	1.09	0.03	3.24	1.34
13	Reserves excluding Revaluation reserve					7,531.48

For and on behalf of the Board of Directors

Baskar
Pannerselvam
m

Digitally signed by
Baskar Pannerselvam
Date: 2021.05.21
18:51:22 +05'30'

JAIRAM
VARADARAJ
AJ

Digitally signed by
JAIRAM
VARADARAJ
Date: 2021.05.21
18:26:11 +05'30'

Jairam Varadaraj
Managing Director

Place: Charlotte, North Carolina, USA
Date: May 21, 2021

ELGI EQUIPMENTS LIMITED

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

T : +91 422 2589 555, W : www.elgi.com, Toll - free No : 1800-425-3544, CIN : L29120TZ1960PLC000351

Notes:

1	The above consolidated financial results were reviewed by the Audit Committee at its meeting held on May 20, 2021 and approved by the Board of Directors of Elgi Equipments Limited ("the Company") at their meeting held on May 21, 2021. The statutory auditors of the Company have audited the financial results for the year ended March 31, 2021.
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 spread of COVID-19 has severely impacted businesses around the globe. 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 beginning from the quarter ended September 30, 2020. The Company, its subsidiaries and jointly controlled entities continue 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 March 31, 2021, the Group has recognised subsidies/benefits from government support schemes amounting to Rs. 8.20 million (Quarter ended December 2020 Rs. Nil) against Employee benefit expenses. The amount of benefit recognised in the results for year ended March 31, 2021 was Rs 241.51 million and Rs 20.10 million in Employee benefit expense and Other income, respectively.</p> <p>The situation of pandemic is varying across the global regions we operate in. We had weathered the impact of the second wave in Europe and currently dealing with the challenges of the second wave in the domestic market. The Company, its subsidiaries and jointly controlled entities have considered various internal and external information available up to the date of approval of financial statements in assessing the impact of COVID-19 pandemic on the financial statements for the year ended March 31, 2021. The uncertainty caused by the current situation is causing delays in the confirmation of customer orders and in executing the orders in hand and increase in lead times in sourcing components. Besides the volatility in commodity prices, container availability and increasing shipping costs are causing inefficiencies and cost challenges in both inbound and outbound supply chain. The situation is likely to continue for next few quarters based on the current assessment. The Company, its subsidiaries and jointly controlled entities are actively monitoring the pandemic situation and its impact on the sales performance across its geographies and taking necessary actions to contain costs to reduce the impact of revenue compression from COVID-19.</p> <p>As at March 31, 2021, the Company, its subsidiaries and jointly controlled entities have made detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets comprising Property, plant and equipment, Intangible assets, Trade receivables, Inventory and Investments as at the balance sheet date and has concluded that there are no material adjustments required in the standalone financials results. The Company, its subsidiaries and jointly controlled entities have also evaluated the internal controls including internal controls with reference to financial statements. All the controls are operating effectively and the Company, its subsidiaries and jointly controlled entities have not diluted any controls.</p> <p>The Management believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic in the preparation of standalone financial statements. However, the impact assessment of COVID-19 is a continuous process given the uncertainties associated with its nature and duration. The Company, its subsidiaries and jointly controlled entities will continue to monitor any material changes to the future economic conditions.</p> <p>The Statutory auditors have drawn attention to the above matter in their auditors' 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	During the quarter ended September 30, 2020, the company has 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. Also, the calculation of basic and diluted earnings per share for all periods presented are adjusted retrospectively for the above-mentioned bonus issue.
6	On February 08, 2021, the Board of Directors of the Company, considered and approved the Voluntary Retirement Scheme (VRS) for all eligible employees/workers of the Company. For the quarter and year ended March 31, 2021, the employee benefit expense include compensation of Rs. 36.85 million accounted towards this scheme.
7	In respect of the subsidiary Elgi Compressors Italy S.R.L, its auditor has included an emphasis of matter relating to payment of his fees in his audit report, which the Statutory Auditors of the company have reproduced in their audit report. The auditor of the Italian subsidiary has income tax dues against which the Italian tax authorities have a garnishee order which covered the payments due from the subsidiary to the auditor. The subsidiary, as per advice received, remitted a portion of the said fees to the Inland Revenue authority and is awaiting further instructions from the authority in this regard.
8	The Board of Directors have recommended a dividend of ₹ 0.80/- per share (80%) for the year ended March 31, 2021.
9	<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.

9	<p><i>(Continued from previous page)</i></p> <p>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 22. Elgi Compressors Eastern Europe sp. z.o.o. 23. Elgi Compressors Nordics 24. Elgi Compressors France SAS 25. Elgi Compressors UK and Ireland Limited 26. Elgi Compressors (M) SDN. BHD.*</p> <p>*Investment has not been made in the company yet and there are no transactions so far.</p> <p>Joint ventures</p> <p>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.) 6. Patton's Of California LLC (jointly controlled entity of Elgi Compressors USA Inc.) 7. G3 Industrial Solutions LLC (jointly controlled entity of Elgi Compressors USA Inc.)</p> <p>Joint operations</p> <p>1. L.G. Balakrishnan & Bros. 2. Elgi Services</p>
10	<p>The figures for the current quarter and the quarter ended March 31, 2020 are the balancing figures between audited figures of the full financial year ended March 31, 2021 and March 31, 2020 ,respectively and published year to date figure upto third quarter ended December 31, 2020 and December 31, 2019 respectively.</p>
11	<p>Figures for the comparative periods have been regrouped wherever necessary in conformity with present classification.</p>

For and on behalf of the Board of Directors

JAIRAM
VARADARAJ
AJ

Digitally signed by
JAIRAM VARADARAJ
Date: 2021.05.21
18:26:47 +05'30'

**Jairam Varadaraj
Managing Director**

Place: Charlotte, North Carolina, USA
Date: May 21, 2021