

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

(Rs. in Millions, except 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 8)	(Unaudited)	Audited (Refer note 8)	(Audited)	(Audited)
1	Income					
	(a) Revenue from operations	3,926.37	3,230.19	2,492.90	11,001.70	10,811.44
	(b) Other income	66.93	51.38	306.11	240.60	494.31
	Total income	3,993.30	3,281.57	2,799.01	11,242.30	11,305.75
2	Expenses					
	(a) Cost of materials consumed	2,017.80	1,742.03	1,333.84	5,330.47	5,363.64
	(b) Purchases of stock-in-trade	273.97	210.29	279.92	944.19	1,067.47
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	23.91	(66.05)	(209.36)	114.08	(190.43)
	(d) Employee benefits expense (refer note 5)	432.04	397.36	365.69	1,563.13	1,631.32
	(e) Finance costs	7.27	8.52	10.97	36.80	43.08
	(h) Depreciation and amortisation expense	86.68	88.99	94.37	353.29	366.52
	(g) Other expenses	500.46	451.07	406.29	1,498.42	1,746.22
	Total expenses	3,342.13	2,832.21	2,281.72	9,840.38	10,027.82
3	Profit before tax (1 - 2)	651.17	449.36	517.29	1,401.92	1,277.93
4	Tax expense:					
	Current tax	162.90	122.16	119.89	361.55	326.71
	Deferred tax	(0.24)	(7.49)	(22.73)	(10.53)	(53.02)
5	Net Profit for the period (3 - 4)	488.51	334.69	420.13	1,050.90	1,004.24
6	Other comprehensive income/(loss), net of income tax					
	A. Items that will not be reclassified to profit or loss	14.21	22.67	(10.49)	47.33	(26.06)
	B. Items that will be reclassified to profit or loss	-	-	-	-	-
	Total other comprehensive income/(loss), net of income tax	14.21	22.67	(10.49)	47.33	(26.06)
7	Total comprehensive income for the period (5+6)	502.72	357.36	409.64	1,098.23	978.18
8	Paid-up equity share capital (Face value Re. 1/- each)	316.91	316.91	158.45	316.91	158.45
9	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
10	Earnings per share (of Re. 1/- each) (not annualised):					
	(a) Basic	1.54	1.06	1.33	3.32	3.17
	(b) Diluted	1.54	1.06	1.33	3.32	3.17
11	Reserves excluding Revaluation reserve					6,941.74

For and on behalf of the Board of Directors

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Jairam Varadaraj
Managing Director

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

Notes:

1	The above standalone 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 its meeting held on May 21, 2021. The statutory auditors of the Company have audited the standalone 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 Company's operations and the financial results for the quarter ended June 30, 2020 were adversely impacted, the Company experienced significant recovery beginning from the quarter ended September 30, 2020.</p> <p>The situation is constantly evolving and Governments in certain states have imposed various restrictions with the increase in the number of COVID 19 cases during the month of March 2021. The Company has 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 is 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 has 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 has also evaluated the internal controls including internal controls with reference to financial statements. All the controls are operating effectively and the Company has 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 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 business activities reflected in the above standalone 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 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.
6	The Board of Directors have recommended a dividend of ₹ 0.80/- per share (80%) for the year ended March 31, 2021.
7	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.
8	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.
9	Figures for the comparative periods have been regrouped wherever necessary in conformity with present classification.

For and on behalf of the Board of Directors

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Jairam Varadaraj
Managing Director

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