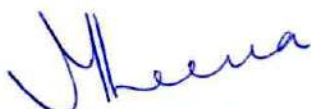


c/c

Particulars	Note No.	March 31, 2022	March 31, 2021
<b>I. ASSETS</b>			
1) Non-current assets			
a) Property, Plant and Equipment	2	31,768	31,834
b) Capital work-in-progress	3	6,126	1,487
c) Financial assets			
i) Investments	4	150,978	103,019
ii) Loans	5	87	158
<b>Total Non-Current Assets</b>		<b>188,959</b>	<b>136,498</b>
2) Current assets			
a) Inventories	6	31,781	8,406
b) Financial assets			
i) Trade receivables	7	263,311	180,597
ii) Cash and cash equivalents	8	35,852	153,411
iii) Bank balances other than ii) above	9	30,000	-
iv) Others	10	1,385	960
c) Current tax assets (Net)	11	9,967	2,511
d) Other current assets	12	25,500	1,392
<b>Total Current Assets</b>		<b>397,796</b>	<b>347,277</b>
<b>TOTAL ASSETS</b>		<b>586,755</b>	<b>483,775</b>
<b>II. EQUITY AND LIABILITIES</b>			
A) EQUITY			
a) Equity Share Capital	13	6,500	6,500
b) Other equity		436,291	347,359
<b>Total Equity</b>		<b>442,791</b>	<b>353,859</b>
B) LIABILITIES			
1) Non-current liabilities			
a) Provisions	14	3,649	3,262
b) Deferred tax liabilities (net)	15	5,325	5,564
<b>Total Non-current Liabilities</b>		<b>8,974</b>	<b>8,826</b>
2) Current liabilities			
a) Financial liabilities			
i) Trade payables	16		
(A) Total outstanding dues of Micro and Small Enterprises		9,003	870
(B) Total outstanding dues of creditors other than Micro and Small Enterprises		81,457	63,627
ii) Other financial liabilities	17	31,934	35,383
b) Other current liabilities	18	11,387	18,651
c) Provisions	19	1,209	2,559
<b>Total Current Liabilities</b>		<b>134,990</b>	<b>121,090</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>586,755</b>	<b>483,775</b>

Significant accounting policies and the accompanying notes form an integral part of financial statements

In terms of our report attached  
For VKS Aiyer & Co.  
Chartered Accountants  
Firm Registration No. 0000665



Leena M Sathyanarayanan  
Partner  
Membership No. 204177

Place: Coimbatore  
Date: 06-05-2022

For and on behalf of the Board of Directors of  
Elgi Sauer Compressors Limited

  
Jairam Varadaraj  
Director  
(DIN: 00003361)

  
Franck Bernard Lallart  
Director  
(DIN: 09529807)

Particulars	Note No.	March 31, 2022	March 31, 2021
I. Revenue from operations	20	442,516	425,132
II. Other income	21	11,032	13,828
III. <b>Total Income (I+II)</b>		<b>453,548</b>	<b>438,960</b>
IV. Expenses			
a) Cost of materials consumed	22	102,532	95,838
b) Purchase of stock-in-trade	23	143,932	126,485
c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	24	(5,325)	35,758
d) Employee benefit expenses	25	54,869	47,129
e) Finance costs	26	-	116
f) Depreciation and amortisation expenses	27	1,143	1,153
g) Other expenses	28	27,475	25,917
<b>Total Expenses</b>		<b>324,626</b>	<b>332,396</b>
V. Profit/(Loss) before exceptional items and tax (III-IV)		128,922	106,564
VI. Exceptional items		-	-
VII. Profit/(Loss) before tax (V-VI)		128,922	106,564
VIII. Tax Expense	29		
1) Current tax		29,837	26,210
2) Deferred tax		583	866
IX. Profit/(Loss) for the period from continuing operations (VII-VIII)		98,502	79,488
X Profit/(Loss) from discontinued operations		-	-
XI. Tax expenses of discontinued operations		-	-
XII. Profit/(Loss) from discontinued operations (after tax) (X-XI)		-	-
XIII. Profit/(Loss) for the period (IX+XII)		98,502	79,488
XIV Other Comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
1) Remeasurement of actuarial gains/(losses) on post employment benefit obligations		1,267	(2,186)
2) Change in fair value of FVOCI equity instruments designated through OCI		47,959	72,802
3) Income Tax relating to items that will be reclassified to profit and loss		821	(7,011)
<b>Total Other Comprehensive Income for the year</b>		<b>50,046</b>	<b>63,605</b>
XV Total Comprehensive Income for the period (XIII+XIV) comprising Profit/(Loss) and other comprehensive income for the period		148,548	143,093
XVI Earnings per equity share (for discontinued operations) :			
1) Basic		-	-
2) Diluted		-	-
XVII Earnings per equity share (for discontinued operation & Continuing Operations) :	30		
1) Basic		151.54	122.29
2) Diluted		151.54	122.29

Significant accounting policies and the accompanying notes form an integral part of financial statements

In terms of our report attached  
For VKS Aiyer & Co.,  
Chartered Accountants  
ICAI Firm Registration No: 0000665

Legna M Sathyanarayanan  
Partner  
Membership No. 204177

Place: Coimbatore  
Date: 06-05-2022

For and on behalf of the Board of Directors of  
Elgi Sauer Compressors Limited

Jairam Varadaraj  
Director  
(DIN: 00003361)

Franck Bernard Lallart  
Director  
(DIN: 09529807)

A) Equity Share Capital

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
6,500	-	-	-	6,500

(2) Previous reporting period

Balance at the beginning of the previous reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the previous period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
6,500	-	-	-	6,500

B) Other Equity

(1) Current reporting period

Particulars	Reserves and surplus		Other items of Other Comprehensive Income	Total
	General reserve	Retained earnings		
Balance at the beginning of the current reporting period	21,758	256,499	69,102	347,359
Total Comprehensive Income for the current year	-	98,502	50,046	148,548
Dividends	-	(59,616)	-	(59,616)
Balance at the end of the current reporting period	21,758	295,385	119,148	436,291

(2) Previous reporting period

Particulars	Reserves and Surplus		Other items of Other Comprehensive Income	Total
	General reserve	Retained Earnings		
Balance at the beginning of the previous reporting period	21,758	216,336	5,497	243,591
Total Comprehensive Income for the previous year	-	79,488	63,605	143,093
Dividends	-	(39,325)	-	(39,325)
Balance at the end of the previous reporting period	21,758	256,499	69,102	347,359

Significant accounting policies and the accompanying notes form an integral part of financial statements.

For VKS Aiyer & Co.,  
Chartered Accountants  
Firm Registration No.0000665

Leena M Sathyanarayanan  
Partner  
Membership No. 204177

For and on behalf of the Board of Directors of  
Elgi Sauer Compressors Limited

Jairam Varadaraj  
Director  
(DIN: 00003361)

Franck Bernard Lallart  
Director  
(DIN:09529807)


Place: Coimbatore  
Date : 06-05-2022

PARTICULARS	March 31, 2022	March 31, 2021
<b>A. Cash flows from operating activities</b>		
Total Comprehensive Income	148,548	143,093
<b>Adjustments for:</b>		
Tax expenses	29,599	34,086
Bad debts written off	1,340	1,981
Depreciation & amortization Expenses	1,143	1,153
Profit on sale of Property, Plant and Equipment	(5)	-
Loss on Property, Plant and Equipment discarded	-	12
Dividend and interest income classified as investing cash flows	(4,943)	(2,811)
Loss/ (Gain) on fair valuation of equity instruments	(47,959)	(72,802)
Finance Costs	-	116
Loss/(Gain) on post employment benefit obligations	(1,267)	2,186
<b>Operating profit before working capital changes</b>	<b>(126,456)</b>	<b>107,014</b>
- (Increase)/decrease in Inventories	(23,374)	50,951
- (Increase)/decrease in Trade Receivables	(84,054)	31,404
- (Increase)/decrease in Other Receivables	(24,462)	3,784
- Increase/(decrease) in Trade payables	(25,963)	11,817
- Increase/(decrease) in Other Liabilities	(10,410)	11,683
<b>Cash generated from operations</b>	<b>(10,119)</b>	<b>216,653</b>
Income taxes refund/(paid)	(37,293)	(21,111)
<b>Net cash from operating activities - (A)</b>	<b>(27,174)</b>	<b>195,542</b>
<b>B. Cash flows from investing activities</b>		
Purchase of Property, Plant and Equipment	(5,717)	(1,994)
Proceeds from sale of Property, Plant and Equipment	5	12
Dividend received	432	-
Interest received	4,511	2,811
<b>Net cash used in investing activities - (B)</b>	<b>(769)</b>	<b>829</b>
<b>C. Cash flows from financing activities</b>		
Dividends paid to company's shareholders	(59,616)	(39,325)
Short term loans repaid during the year	-	(4,614)
Interest paid	-	(116)
<b>Net cash from / (used in) financing activities - (C)</b>	<b>(59,616)</b>	<b>(44,055)</b>
<b>Net Increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(87,559)</b>	<b>152,316</b>
<b>Cash and Bank balances at beginning of reporting period</b>	<b>153,411</b>	<b>1,095</b>
Less: Bank Balances not Considered as Cash and Cash Equivalents as per Ind AS 7	30,000	-
<b>Cash and cash equivalents at end of reporting period</b>	<b>35,852</b>	<b>153,411</b>

The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7- Statement of Cash Flows.

Significant accounting policies and the accompanying notes form an integral part of financial statements

In terms of our report attached  
For VKS Aiyer & Co.,  
Chartered Accountants  
ICAI Firm Registration No: 0000665

  
Leena M Sathyanarayanan  
Partner  
Membership No. 204177

Place: Coimbatore  
Date: 06-05-2022

For and on behalf of the Board of Directors of  
Elgi Sauer Compressors Limited

  
Jairam Varadraj  
Director  
(DIN: 00003361)

  
Franck Bernard Lallart  
Director  
(DIN: 09529807)

2 Property, Plant and Equipment

Particulars	Land	Building on Leasehold premises	Plant and Equipment	Furniture and Fixtures	Computer	Electrical Installations	Tangible Assets	Intangible Assets
<b>Gross carrying value / Deemed Cost</b>								
As at 1st April, 2020	28,224	825	5,232	673	2,323	44	37,321	895
Additions	-	-	137	-	370	-	507	-
Deletions	-	-	-	-	53	-	53	-
As at 31st March, 2021	28,224	825	5,369	673	2,641	44	37,775	895
Additions	-	-	-	13	1,065	-	1,077	-
Deletions	-	-	-	-	24	-	24	-
As at 31st March, 2022	28,224	825	5,369	686	3,681	44	38,828	895
<b>Accumulated Depreciation and Impairment</b>								
As at 1st April, 2020	-	761	1,954	564	1,493	44	4,816	895
Depreciation	-	25	569	80	479	-	1,153	-
Deductions	-	-	-	-	28	-	28	-
Impairment	-	-	-	-	-	-	-	-
As at 31st March, 2021	-	786	2,523	644	1,944	44	5,941	895
Depreciation	-	15	578	24	526	-	1,143	-
Deductions	-	-	-	-	24	-	24	-
Impairment	-	-	-	-	-	-	-	-
As at 31st March, 2022	-	801	3,101	668	2,446	44	7,060	895
<b>Net Carrying value</b>								
As at 1st April, 2020	28,224	64	3,278	109	830	0	32,505	-
As at 31st March, 2021	28,224	39	2,846	29	696	0	31,834	-
As at 31st March, 2022	28,224	24	2,268	18	1,235	0	31,768	-

**Elgi Sauer Compressors Limited**

**Notes to Financial Statements for the year ended 31st March, 2022**

**₹ Rounded off in Thousands**

**3 Capital work-in-progress**

Building	Amount
<u>Gross carrying value / Deemed Cost</u>	
As at 1st April, 2020	-
Additions	1,487
Deletions	-
As at 31st March, 2021	1,487
Additions	4,639
Deletions	-
As at 31st March, 2022	6,126

**3.1 Capital work-in-progress ageing schedule for the year ended March 31, 2022 and March 31, 2021 are as follows:**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress - Greenfield project	4,639	1,487	-	-	6,126

**For FY 20-21**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress - Greenfield project	1,487	-	-	-	1,487

**3.2** The company has no CWIP / Intangible Assets Under Development whose completion is overdue / has exceeded its cost compared to its original plan for the year ended March 31, 2022 and March 31, 2021

4 Non-current investments

Particulars	March 31, 2022	March 31, 2021
(a) Investments in equity instruments	150,978	103,019
-In associates		
5,40,074 Equity Shares of Elgi Equipments Limited (As on 31.03.2022 - 5,40,074 Equity Shares)		
<b>Total</b>	<b>150,978</b>	<b>103,019</b>

Aggregate amount of quoted investments and market value thereof

150,978 103,019

Category-wise classification

Financial Assets measured at fair value through Other Comprehensive Income

150,978 103,019

5 Non-current Financial Assets - Loans

Particulars	March 31, 2022	March 31, 2021
Loans Receivables considered good - Unsecured		
i. Loan to Employees	87	158
<b>Total</b>	<b>87</b>	<b>158</b>

6 Inventories

Particulars	March 31, 2022	March 31, 2021
Raw materials (Includes goods in transit amounting to ₹ 1,76,26,179/- for the year ended 31-03-2022 and amounting to ₹ 0/- for the year ended 31-03-2021)	20,210	2,016
Stock-in-trade	8,892	6,228
Finished goods	5,035	2,374
Less: Provision for non-moving inventory	(2,356)	(2,212)
<b>Total</b>	<b>31,781</b>	<b>8,406</b>

i) For method of valuation of inventories (Refer Note: 1)

ii) Inventory held at Net Realisable Value amounted to ₹ NIL/- (As at 31.03.2021, ₹ NIL/-)

iii) Movement in provision for non-moving inventory :

Particulars	March 31, 2022	March 31, 2021
Opening balance	2,212	4,686
Additions during the year	144	-
Reversals during the year	-	2,474
Closing balance	2,356	2,212

7 Trade Receivables

Particulars	March 31, 2022	March 31, 2021
Trade receivables		
- Unsecured considered good	258,206	173,215
- Which have significant increase in credit risk	1,364	2,390
- Receivables from related parties	5,105	7,382
Less: Provision for expected credit loss	(1,364)	(2,390)
<b>Total</b>	<b>263,311</b>	<b>180,597</b>

Trade Receivables Ageing Schedule as at 31st March 2022

Particulars	Outstanding for following periods from due date of payment					TOTAL
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables - considered good	246,792	7,917	1,379	7,222	-	263,310
ii) Disputed Trade Receivables - which have significant increase in credit risk	-	-	130	176	1,058	1,364
Sub total (a)	246,792	7,917	1,509	7,398	1,058	264,674
Less: Provision for expected credit loss (b)						1,364
<b>Total (a-b)</b>						<b>263,310</b>

Trade Receivables Ageing Schedule as at 31st March 2021

Particulars	Outstanding for following periods from due date of payment					TOTAL
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables - considered good	168,608	2,395	9,316	278	-	180,597
ii) Disputed Trade receivables - which have significant increase in credit risk	-	-	265	1,082	1,043	2,390
Sub total (a)	168,608	2,395	9,581	1,360	1,043	182,987
Less: Provision for expected credit loss (b)						2,390
<b>Total (a-b)</b>						<b>180,597</b>

Movement in Provision for expected credit loss :

Particulars	March 31, 2022	March 31, 2021
Opening	₹ 2,390	₹ 4,403
Additions	1,478	1,704
Reversal	(2,504)	(3,717)
Closing	1,364	2,390

**8 Cash and cash equivalents**

Particulars	March 31, 2022	March 31, 2021
Balances with banks		
- In current accounts	35,835	18,382
- Other account	14	15
- In deposit account	-	135,000
Cash on hand	3	14
<b>Total</b>	<b>35,852</b>	<b>153,411</b>

**9 Bank balances other than above**

Particulars	March 31, 2022	March 31, 2021
Balances with Banks		
In Deposit Account ( having maturity of more than 3 Months but less than 12 months)	30,000	-
<b>Total</b>	<b>30,000</b>	<b>-</b>

**10 Other Financial Assets**

Particulars	March 31, 2022	March 31, 2021
Unsecured, considered good		
Deposits	35	53
Employee advances/ loans	71	176
Interest accrued on deposits	970	731
Other receivables	309	-
<b>Total</b>	<b>1,385</b>	<b>960</b>

**11 Current tax assets ( Net)**

Particulars	March 31, 2022	March 31, 2021
Advance tax (net of provisions)	9,967	2,511
<b>Total</b>	<b>9,967</b>	<b>2,511</b>

**12 Other current assets**

Particulars	March 31, 2022	March 31, 2021
Rent advance	26	26
Advance to suppliers	160	1,366
Capital advances	21,270	-
Other advances	3,779	-
Gratuity fund- Plan assets	264	-
<b>Total</b>	<b>25,500</b>	<b>1,392</b>

13 Equity Share Capital

Particulars	March 31, 2022		March 31, 2021	
	No. of shares	₹	No. of shares	₹
<b>Authorized share capital</b>				
Equity shares of ₹10/- each	650,000	6,500	650,000	6,500
	650,000	6,500	650,000	6,500
<b>Issued and subscribed capital</b>				
Equity shares of ₹10/- each fully paid	650,000	6,500	650,000	6,500
	650,000	6,500	650,000	6,500

a. Terms / rights attached to Equity Shares

**Voting:**

The Company has only one class of shares referred to as equity shares having a par value of ₹10/- per share. Each holder of Equity Shares is entitled to one vote per share.

**Dividend:**

The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

**Liquidation:**

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

b. Reconciliation of shares outstanding at the beginning and at the end of the period

Particulars	March 31, 2022		March 31, 2021	
	No. of shares	₹	No. of shares	₹
Shares outstanding at the beginning of the year	650,000	6,500	650,000	6,500
Shares Issued / bought back during the year	-	-	-	-
Shares outstanding at the end of the year	650,000	6,500	650,000	6,500

c. Details of shareholders holding more than 5% shares in the Company

S. No	Name of shareholder	March 31, 2022		March 31, 2021	
		Number of shares held	% holding in class of shares	Number of shares held	% holding in class of shares
1	Equity shares with voting rights J.P.Sauer & Sohn Maschinenbau Beteiligungsgesellschaft MBH (Holding Company)	481,000	74%	481,000	74%
2	Elgi Equipments Limited	168,994	26%	168,994	26%
	<b>Total</b>	<b>649,994</b>	<b>100%</b>	<b>649,994</b>	<b>100%</b>

d. Details of shares issued for consideration other than cash in the immediately preceding five years:

There are no shares issued for consideration other than cash.

e. Details of shares allotted by way of bonus shares or any buy back in the immediately preceding five years:

There are no shares allotted by way of bonus Shares and there have been no shares bought back in the immediately preceding five years.

f. Shares held by promoters at the end of the year

As at 31 March, 2022

S. No	Promoter name	No. of Shares	% of total shares	% change during the year
1	J.P.Sauer & Sohn Maschinenbau Beteiligungsgesellschaft MBH	481,000	74.00%	0.00%
2	Elgi Equipments Limited	169,000	26.00%	0.00%
	<b>Total</b>	<b>650,000</b>	<b>100.00%</b>	<b>0.00%</b>

As at 31 March, 2021

S. No	Promoter name	No. of Shares	% of total shares	% change during the year
1	J.P.Sauer & Sohn Maschinenbau Beteiligungsgesellschaft MBH	481,000	74.00%	0.00%
2	Elgi Equipments Limited	169,000	26.00%	0.00%
	<b>Total</b>	<b>650,000</b>	<b>100.00%</b>	<b>0.00%</b>

14 Provisions

Particulars	March 31, 2022	March 31, 2021
Liability for Compensated absences	3,649	3,262
<b>Total</b>	<b>3,649</b>	<b>3,262</b>

15 Deferred tax liabilities (net)

Particulars	March 31, 2022	March 31, 2021
<b>Deferred tax liability</b>		
On fair value adjustment of financial instruments	7,712	8,321
Tax effect of items constituting deferred tax liability	7,712	8,321
<b>Deferred tax asset</b>		
Depreciation	353	714
On expenses allowable against taxable income in future years	2,034	2,044
Tax effect of items constituting deferred tax asset	2,387	2,758
<b>Net deferred tax liability</b>	<b>5,325</b>	<b>5,564</b>

Statement of changes in Deferred Tax Assets/ Liabilities

Particulars	For the year ended March 31, 2022			
	Opening	Recognized in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing
<b>Deferred tax liability</b>				
On fair value adjustment of financial instruments	8,321	-	(609)	7,712
	8,321	-	(609)	7,712
<b>Deferred tax asset</b>				
Depreciation	714	(361)	-	353
On expenses allowable against taxable income in future years	2,044	(10)	-	2,034
	2,758	(371)	-	2,387
<b>Total</b>	<b>5,563</b>	<b>371</b>	<b>(609)</b>	<b>5,325</b>

Particulars	For the year ended March 31, 2021			
	Opening	Recognized in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing
<b>Deferred tax liability</b>				
On fair value adjustment of financial instruments	760	-	7,561	8,321
	760	-	7,561	8,321
<b>Deferred tax asset</b>				
Depreciation	298	416	-	714
On expenses allowable against taxable income in future years	2,775	(731)	-	2,044
	3,073	(315)	-	2,758
<b>Total</b>	<b>(2,313)</b>	<b>315</b>	<b>7,561</b>	<b>5,564</b>

16 Trade Payable

Particulars	March 31, 2022	March 31, 2021
Total outstanding dues of Micro and Small Enterprises (Refer Note : 39)	9,003	870
Total outstanding dues of creditors Other than Micro and Small Enterprises	4,971	2,892
Trade payable to Related Parties	76,486	60,735
<b>Total</b>	<b>90,460</b>	<b>64,497</b>

## Ageing of Trade Payables

For the year ended March 31, 2022

Particulars	Less than 1 year	1 year - 2 years	2 years - 3 years	More than 3 years	Total
MSME	9,003	-	-	-	9,003
Others	80,783	-	674	-	81,457
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>89,786</b>	<b>-</b>	<b>674</b>	<b>-</b>	<b>90,460</b>

For the year ended March 31, 2021

Particulars	Less than 1 year	1 year - 2 years	2 years - 3 years	More than 3 years	Total
MSME	870	-	-	-	870
Others	62,561	674	15	378	63,627
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>63,431</b>	<b>674</b>	<b>15</b>	<b>378</b>	<b>64,497</b>

## 17 Other financial liabilities

Particulars	March 31, 2022	March 31, 2021
Liabilities for expenses	5,532	20,605
Dealer deposits	620	790
Employee related expense payable	8,313	4,939
Other payables & accruals	17,469	9,049
<b>Total</b>	<b>31,934</b>	<b>35,383</b>

## 18 Other current liabilities

Particulars	March 31, 2022	March 31, 2021
Statutory dues payable	4,754	9,415
Advances from customer	6,633	9,236
<b>Total</b>	<b>11,387</b>	<b>18,651</b>

## 19 Provisions

Particulars	March 31, 2022	March 31, 2021
Provision for warranties (refer note no.19.1)	759	761
Liability for compensated absences	450	258
Net defined benefit liability - gratuity	-	1,540
<b>Total</b>	<b>1,209</b>	<b>2,559</b>

## 19.1 Movement in provision for warranties

Particulars	March 31, 2022	March 31, 2021
Opening balance	761	1,567
Additions during the year	409	359
Reversals during the year	411	1,166
Closing balance	759	761

20 Revenue from operations

Particulars	March 31, 2022	March 31, 2021
Revenue from operations		
Sale of products - Manufactured goods	135,101	157,273
Sale of products - Traded goods	281,576	243,538
Sale of services	13,063	6,480
[A]	429,740	407,291
Other operating revenue		
Commission received	5,093	11,843
Support service income	7,683	5,998
[B]	12,776	17,841
Total	442,516	425,132

Details of product sold:

Particulars	March 31, 2022	March 31, 2021
<u>Export Sales:</u>		
Sale of products	1,740	2,125
Sale of services	15,431	18,470
[A]	17,171	20,595
<u>Domestic Sales:</u>		
Sale of products	414,938	398,686
Sale of Services	10,408	5,851
[B]	425,346	404,537
Total	442,517	425,132

21 Other Income

Particulars	March 31, 2022	March 31, 2021
Interest from financial assets	4,511	2,811
Interest on others	1,873	308
Dividend income	432	-
Foreign Exchange gain (Net)	396	1,471
Profit on sale of assets	5	-
Customs duty recovered	1,938	6,632
Excess provision reversed	393	1,453
Miscellaneous income	1,484	1,153
Total	11,032	13,828

22 Cost of materials consumed

Particulars	March 31, 2022	March 31, 2021
Opening stock	2,016	14,998
Add: Purchases	120,726	82,856
	122,742	97,854
Less: Closing stock	20,210	2,016
Cost of material consumed	102,532	95,838

22. i Cost of inventory recognised as an expense:

Particulars	March 31, 2022	March 31, 2021
Cost of materials consumed	102,532	95,838
Cost of goods sold	138,607	162,243
Total	241,139	258,080

## 23 Purchase of stock-in-trade

₹ Rounded off in Thousands except for EPS

Particulars	March 31, 2022	March 31, 2021
Traded goods	143,932	126,485
<b>Total</b>	<b>143,932</b>	<b>126,485</b>

## 24 Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	March 31, 2022	March 31, 2021
<b>Inventories at the end of the year</b>		
-Finished goods	5,035	2,374
-Stock in trade	8,892	6,228
	13,927	8,602
<b>Inventories at the beginning of the year</b>		
-Finished goods	2,374	36,656
-Stock in trade	6,228	7,704
	8,602	44,360
<b>Net (Increase) / Decrease in inventories of finished goods, stock-in-trade, and work-in-progress</b>	<b>(5,325)</b>	<b>35,758</b>

## 25 Employee benefit expenses

Particulars	March 31, 2022	March 31, 2021
Salaries, wages and bonus	48,922	42,352
Contribution to provident and other funds	2,819	2,375
Expenses related to Post Employment Defined Benefit Plans	1,020	554
Expenses related to compensated absences	999	669
Staff welfare expenses	1,109	1,179
<b>Total</b>	<b>54,869</b>	<b>47,129</b>

## 26 Finance costs

Particulars	March 31, 2022	March 31, 2021
Interest expense	-	116
<b>Total</b>	<b>-</b>	<b>116</b>

## 27 Depreciation and amortisation expenses

Particulars	March 31, 2022	March 31, 2021
Depreciation of Property, Plant & Equipment (Refer Note: 2)	1,143	1,153
<b>Total</b>	<b>1,143</b>	<b>1,153</b>

## 28 Other expenses

Particulars	March 31, 2022	March 31, 2021
Packing charges	822	967
Advertisement expenses	608	-
Donation	35	-
Freight outwards	1,456	1,276
Power and fuel	282	273
Repairs and maintenance	166	138
Commission & discount (Net)	6,346	11,782
Rent	1,534	1,913
Warranties	409	360
Installation expenses	3,228	1,263
Professional charges	1,071	473
Auditor's remuneration (Refer note 28(a))	510	435
Rates and taxes	46	66
Insurance	900	513
Bank charges	484	920
Subscription, periodicals & filing fees	19	70
Service charges	4,181	2,409
Printing & stationery	250	191
Communication expenses	133	120
Travelling expenses	2,660	665
Corporate Social Responsibility expenditure (Refer note 28(b))	2,000	1,950
Bad debts written off	1,340	1,981
Provision for Expected Credit Loss/(Reversal)- Net (refer note no.7)	(1,026)	(2,013)
Loss on assets discarded	-	12
Miscellaneous expenses	21	153
<b>Total</b>	<b>27,475</b>	<b>25,917</b>

## 28(a) Payment to auditors

Particulars	March 31, 2022	March 31, 2021
Payment to auditors includes the following:		
(a) As Auditor:		
- For Statutory Audit	286	245
- For Tax Audit	59	50
(b) For Taxation matters	30	25
(b) For Certification and Others	135	115
<b>Total</b>	<b>510</b>	<b>435</b>

## 28 (b) Corporate Social Responsibility expenditure

Particulars	March 31, 2022	March 31, 2021
Amount required to be spent by the company during the year,	1,995	1,931
Amount of expenditure incurred	-	1,950
Shortfall at the end of the year	1,995	-
Total of previous years shortfall	-	-
Reason for shortfall	Pertains to ongoing projects	Pertains to ongoing projects
Nature of CSR activities	Promoting education and enhancing vocational skills.	
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year.	N.A.	N.A.

As per the annual CSR action plan for the financial year 2021-22, the company had allotted its entire CSR obligation of ₹ 20 lakhs towards construction of second floor building in Elgi Matriculation School, Coimbatore. The said project is an on-going one and will be completed before end of the financial year 2022-23. The estimated budget for the total second floor building is around ₹ 30 Lakhs. The budget allocated by the Company is ₹ 20 Lakhs and unspent amount of ₹ 20 lakhs has been transferred to an unspent CSR bank account on 30-04-2022.

## 29 Income tax expense

Particulars	March 31, 2022	March 31, 2021
<b>Current Tax</b>		
Current tax on profit for the year	29,837	26,210
[A]	29,837	26,210
<b>Deferred Tax</b>		
Decrease / (increase) in deferred tax assets	371	315
(Decrease) / increase in deferred tax liabilities	(609)	7,561
[B]	(238)	7,876
Tax expense recognized in Statement of Profit and Loss	[C]	33,323
Tax expense recognized in Other Comprehensive Income	[A]+[B]-[C]	(3,724)
<b>Total tax expense</b>	<b>29,599</b>	<b>34,086</b>

- Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	March 31, 2022	March 31, 2021
Profit before income tax expense	128,922	106,564
Tax at the Indian tax rate of 25.17% (2021-2022 - 25.17%)	32,447	26,820
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable</b>		
- Chapter VI A Tax Concessions	(432)	-
- Differences on account of Depreciation	(15)	38
- Corporate social responsibility expenditure	503	491
- On account of Employee benefit expenses	1,256	-
- Others	(3,922)	(1,143)
Income tax expense	29,837	26,205

The above workings are provisional computation of tax expenses and are subject to finalisation including that of tax audit.

The company does not have any transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

## 30 Earnings Per Share

Particulars	March 31, 2022	March 31, 2021
Profit after tax attributable to equity share holders	98,502	79,488
Total number of equity shares outstanding at balance sheet date	650,000	650,000
Weighted average number of equity shares outstanding, considered for the purpose of computing EPS	650,000	650,000
Face value per equity share (₹)	10	10
<b>Basic and diluted earnings per share (₹)</b>	<b>151.54</b>	<b>122.29</b>

The company's activities expose it to market risk, interest rate risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (₹)	Cash flow forecasting Sensitivity analysis	Forward Foreign Exchange Contracts Foreign Currency Option
Interest rate risk	Borrowings and other liabilities	Rolling cash flow forecasts, Cash flow forecasting Sensitivity analysis	Availability of committed credit lines and borrowing facilities, ascertaining the benefit of Fixed or floating interest rate for borrowings

The Board of Directors reviews and approves risk management framework and policies for managing these risks and monitors suitable mitigating actions taken by the management to minimise potential adverse effects and achieve greater predictability to earnings.

In line with the overall risk management framework and policies, the treasury function provides services to the business, monitors and manages through an analysis of the exposures by degree and magnitude of risks.

#### (A) Credit risk

Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to wholesale customers including outstanding receivables.

##### (i) Credit risk management

Credit risk is managed on a company basis. For banks and financial institutions, only high rated banks/institutions are accepted.

For other financial assets, The company assesses and manages credit risk based on internal credit rating system. The finance function consists of a separate team who assess and maintain an internal credit rating system. Internal credit rating is performed on a group basis for each class of financial instruments with different characteristics. The company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- VL 1 : High-quality assets, negligible credit risk
- VL 2 : Quality assets, low credit risk
- VL 3 : Standard assets, moderate credit risk
- VL 4 : Substandard assets, relatively high credit risk
- VL 5 : Low quality assets, very high credit risk
- VL 6 : Doubtful assets, credit-impaired

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk. The company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are included.

- Internal credit rating
- External credit rating (as far as available)
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- Actual or expected significant changes in the operating results of the borrower
- Significant increase in credit risk on other financial instruments of the same borrower
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the company and changes in the operating results of the borrower.

Macro economic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

## (H) Provision for expected credit losses

The company provides for expected credit loss based on the following:

Basis for recognition of expected credit loss provision					
Internal rating	Category	Description of category	Investments	Loans and deposits	Trade receivables
VL 1	High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil.	12-month expected credit losses	12-month expected credit losses	Life-time expected credit losses (simplified approach)
VL 2	Quality assets, low credit risk	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past.			
VL 3	Standard assets, moderate credit risk	Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong.			
VL 4	Substandard assets, relatively high credit risk	Assets where there has been a significant increase in credit risk since initial recognition. Assets where the payments are more than 30 days past due.	Life-time expected credit losses	Life-time expected credit losses	
VL 5	Low quality assets, very high credit risk	Assets where there is a high probability of default. In general, assets where contractual payments are more than 60 days past due are categorised as low quality assets. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 60 days past due.			
VL 6	Doubtful assets, credit-impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the group. The group categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 120 days past due. Where loans or receivables have been written off, the group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Asset is written off		

## (a) Expected credit loss for loans and security deposits

₹ Rounded off in Thousands

## Year ended 31 March 2022:

Particulars	Category	Asset group	Internal credit rating	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans	VL 1	87	-	-	87
		Security deposits	VL 1	35	-	-	35

## Year ended 31 March 2021

Particulars	Category	Asset group	Internal credit rating	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans	VL 1	158	-	-	158
		Security deposits	VL 1	53	-	-	53

## (b) Expected credit loss for trade receivables under simplified approach

## Year ended 31 March 2022:

Ageing	Not due	0-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount	-	144,991	43,677	13,837	11,080	51,089	264,673
Expected credit losses (Loss allowance provision)	-	-	-	-	-	(1,364)	(1,364)
Carrying amount of trade receivables (net of impairment)	-	144,991	43,677	13,837	11,080	52,453	263,309

Year ended 31 March 2021:

Ageing	Not due	0-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount	-	114,242	40,251	1,309	9,345	19,815	184,963
Expected credit losses (Loss allowance provision)	-	-	-	-	-	(2,390)	(2,390)
Carrying amount of trade receivables (net of impairment)	-	114,242	40,251	1,309	9,345	17,425	182,573

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, group treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Company in accordance with practice and limits set by the group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) Financing arrangements

The company had access to the following borrowing facilities at the end of the reporting period:

	31-03-2022	31-03-2021
- at Floating rate	-	-
- Expiring beyond one year (cash credit limit)	50,000	50,000
Bank Guarantee	160,000	160,000

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in Rupees (₹).

(i) Maturities of financial assets

The tables below analyse the company's financial assets into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	Note No.		Less than 1 year	Between 1 and 5 years	Over 5 years	Total
<b>March 31, 2022</b>						
Investments	4	-	-	-	150,978	150,978
Non-current loans	5	-	-	87	-	87
Trade receivables	7	254,709	9,089	875	-	264,673
Cash and cash equivalents	8	35,852	-	-	-	35,852
Other Financial Assets - Current	10	1,385	-	-	-	1,385
<b>Total financial assets</b>			<b>291,946</b>	<b>9,176</b>	<b>151,853</b>	<b>452,975</b>

Particulars	Note No.		Less than 1 year	Between 1 and 5 years	Over 5 years	Total
<b>March 31, 2021</b>						
Investments	4	-	-	-	103,019	103,019
Non-current loans	5	-	-	158	-	158
Trade receivables	8	180,597	-	-	-	180,597
Cash and cash equivalents	9	153	-	-	-	153
Other Financial Assets - Current	10	960	-	-	-	960
<b>Total financial assets</b>			<b>181,710</b>	<b>158</b>	<b>103,019</b>	<b>284,887</b>

(ii) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities:

Particulars	Note No.	On demand	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
<b>March 31, 2022</b>						
Borrowings*		-	-	-	-	-
Trade payables	17	-	9,003	-	-	9,003
Other financial liabilities	18	-	31,314	620	-	31,934
<b>Total financial liabilities</b>		<b>-</b>	<b>40,317</b>	<b>620</b>	<b>-</b>	<b>40,937</b>

Particulars	Note No.	On demand	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
<b>March 31, 2021</b>						
Trade payables	17	-	870	-	-	870
Other financial liabilities	18	-	34,593	790	-	35,383
<b>Total financial liabilities</b>		<b>-</b>	<b>35,463</b>	<b>790</b>	<b>-</b>	<b>36,253</b>

\*The company does not have any bank borrowings as on 31-03-2022. However, the company has been sanctioned by HDFC bank, funded limits of ₹ 500 lakhs (against current assets) and non funded limits of ₹ 1600 lakhs.

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (₹). The risk is measured through a forecast of highly probable foreign currency cash flows.

The company's exposure to foreign currency risk at the end of the reporting period are as follows:

Particulars	March 31, 2022			March 31, 2021		
	CHF	USD	EUR	CHF	USD	EUR
Financial assets						
Trade receivables	-	-	-	-	-	-
Net exposure to foreign currency risk (assets)	-	-	-	-	-	-
Financial liabilities						
Trade payables	1.94	0.31	60.74	-	0.74	0.92
Net exposure to foreign currency risk (liabilities)	1.94	0.31	60.74	-	0.74	0.92

#### Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Change in exchange rate	Impact on profit after tax (in ₹)		Impact on other components of equity (in ₹)	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
INR/GBP Inc. by 5%	(2)	(3.85)	-	-
INR/GBP Dec. by 5%	2	3.85	-	-
INR/EUR Inc. by 5%	(255)	(4.07)	-	-
INR/EUR Dec. by 5%	255	4.07	-	-
INR/CHF Inc. by 5%	(8)	-	-	-
INR/CHF Dec. by 5%	8	-	-	-

\* Holding all other variables constant

#### (D) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market interest rates. The company is exposed to interest risk because funds are borrowed at floating interest rates.

##### (i) Interest rate risk exposure

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	Note No.	March 31, 2022	March 31, 2021
Variable rate borrowings		-	-
Fixed rate borrowings		-	-
Total Borrowings		-	-

##### (ii) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on Profit after tax		Impact on Other components of Equity	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Interest rates - increase by basis 100 points *	-	-	-	-
Interest rates - decrease by 100 basis points *	-	-	-	-

\* Holding all other variables constant

#### 31 B. CAPITAL MANAGEMENT

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is done through a mix of either equity and/or preference and/or convertible and/or combination of short term /long term debt as may be appropriate.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents and current investments.

The following table summarizes the capital of the Company:

Particulars	March 31, 2022	March 31, 2021
Cash and cash equivalents	35,852	153,411
(a) Total cash	35,852	153,411
Current borrowings	-	-
(b) Total borrowings	-	-
(c) Net debt (b-a)	(35,852)	(153,411)
(d) Total equity	442,791	353,859
Gearing ratio (c/d)	-8%	-43%

**32 Employee Benefit Obligations****(i) Defined Contribution plans**

The company makes contributions towards provident fund and employees state insurance as a defined contribution retirement benefit fund for qualifying employees. The provident fund is operated by the regional provident fund commissioner. The employees state insurance is operated by the Employees State Insurance Corporation. Under these schemes, the company is required to contribute a specific percentage of the payroll cost as per the Statute.

The total expenses recognised in the statement of profit and loss of ₹ 19,76,894/- (for March 31, 2021 - ₹ 19,60,835/-) represents contributions payable to these plans by the company.

**(ii) Defined Benefit Plans - Gratuity****Description of the Company's defined benefit plan:**

The company operates a defined benefit plan for payment of post employment benefits in the form of gratuity. Benefits under the plan are based on pay and years of service and vested on completion of five years of service, as provided in the Payment of Gratuity Act, 1972. The terms of benefits are common for all the employees of the company.

**Principal actuarial assumptions used as at the balance sheet date:**

Particulars	March 31, 2022	March 31, 2021
Discount Rate	7.24%	6.85%
Salary escalation rate	10.00%	10.00%
Attrition rate	6.00%	6.00%
Expected rate of return on Plan Assets	7.24%	5.85%

**Expenses recognised in the Statement of Profit and Loss:**

Particulars	March 31, 2022	March 31, 2021
Current Service Cost	969	590
Net interest on net defined benefit obligations	52	(36)
Expenses recognized in the statement of profit and loss	1,020	554

**Amount Recognized For The Current Period In The Statement Of Other Comprehensive Income [OCI]**

Particulars	March 31, 2022	March 31, 2021
Actuarial (gain)/loss on Plan Obligations	(1,110)	(1,616)
Difference between Actual Return and Interest Income on Plan Assets- (gain)/loss	(141)	(47)
Amount recognized in OCI for the current period	(1,251)	(1,569)

**Reconciliation in respect of the changes in the present value of obligation:**

Particulars	March 31, 2022	March 31, 2021
Present value of obligations as at the beginning of the year	8,811	6,389
Interest Cost	547	393
Current service cost	969	590
Past service cost	-	-
Benefits paid	(1,657)	(177)
Actuarial loss/(gain) on obligation (balancing figure)	(1,110)	1,616
Present value of obligations as at the end of the year	7,560	8,811

**Reconciliation in respect of the changes in the fair value of plan assets:**

Particulars	March 31, 2022	March 31, 2021
Fair value of plan assets as at the beginning of the period	7,272	6,973
Expected return on plan assets	495	429
Contributions less charges	1,573	-
Benefits paid	(1,657)	(177)
Actuarial gain/(loss) on plan assets [balancing figure]	141	47
Fair value of plan assets as at the end of the period	7,824	7,272

Amounts recognised in the Balance sheet	March 31, 2022	March 31, 2021
Present value of the obligation	7,560	8,811
Fair value of plan assets	7,824	7,272
Liability/(Asset) in the Balance sheet	(264)	1,539

**Major categories of plan assets (as percentage of total plan assets)**

Particulars	March 31, 2022	March 31, 2021
Funds managed by Insurer- LIC	100%	100%
Total	100%	100%

## Experience Adjustments

Particulars	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018
Defined Benefit Obligation	7,560	8,811	6,389	6,805	5,845
Plan Assets	7,824	7,272	6,973	6,132	2,993
Surplus/ (Deficit)	(264)	1,541	(584)	672	2,851
Experience Adjustments on plan liabilities - Loss/ (Gain)	(1,110)	1,616	(1,194)	108	(18)
Experience Adjustments on plan assets - Gain/ (Loss)	(141)	(47)	(52)	285	(222)

Sensitivity Analysis	March 31, 2022		March 31, 2021	
Particulars	Increase	Decrease	Increase	Decrease
Gratuity				
Discount Rate (0.5% movement)	(268)	290	(305)	328
Salary Escalation Rate(0.5% movement)	289	(270)	326	(306)

## (iii) Defined Benefit Plans - Leave obligations

Under the compensated absences plan, leave encashment is payable to all eligible employees at the rate of per day salary, as per current accumulation of leave days.

Particulars	March 31, 2022	March 31, 2021
Current leave obligations expected to be settled within the next 12 months	450	258

## Principal assumptions:

Particulars	March 31, 2022	March 31, 2021
Discount Rate	7.24%	6.85%
Rate of increase in compensation levels	10.00%	10.00%
Attrition Rate	6.00%	6.00%
Expected rate of return on Plan Assets	0.00%	0.00%

## Reconciliation in respect of the changes in the present value of obligation:

Particulars	March 31, 2022	March 31, 2021
Present value of obligations as at the beginning of the year	3,521	2,393
Interest Cost	227	144
Current service cost	772	525
Past service cost		
Benefits paid	(405)	(158)
Actuarial loss/(gain) on obligation (balancing figure)	(15)	616
Present Value of Obligation as at the end of the period	4,100	3,521

## V Actuarial Gains And Losses Recognized

Particulars	March 31, 2022	March 31, 2021
Actuarial gain (loss) for year - obligation	15	(616)
Actuarial gain (loss) for year - plan assets		
Subtotal	15	(616)
Actuarial (gain) / loss recognized	(15)	616
Unrecognized actuarial gains (losses) at the end of the period	-	-

## VI Amounts recognised in the Balance sheet

Particulars	March 31, 2022	March 31, 2021
Present value of the obligation	4,100	3,521
Fair value of plan assets		
Difference	4,100	3,521
Liability recognized in the balance sheet	4,100	3,521

VII. Expenses Recognised In The Statement Of Profit And Loss:

Particulars	March 31, 2022	March 31, 2021
Current service cost	772	525
Interest on obligation	227	144
Expected return on plan assets		
Net actuarial (gain)/loss recognised during the period	(15)	616
Past service cost		
Expenses recognized in the statement of profit and loss	984	1,285

VIII. Movements In The Liability Recognized In The Balance Sheet

Particulars	March 31, 2022	March 31, 2021
Opening net liability	3,521	2,393
Expense as above	984	1,285
Contribution paid	(405)	(158)
Closing net liability	4,100	3,521

Sensitivity Analysis	March 31, 2022		March 31, 2021	
Particulars	Increase	Decrease	Increase	Decrease
Leave Salary				
Discount Rate (0.5% movement)	(740)	(405)	(161)	175
Salary Escalation Rate(0.5% movement)	(411)	(736)	169	(157)

₹ Rounded off in Thousands

(a) Parent entities

The group is controlled by following entity:

Name of entity	Type	Place of business	Ownership interest held by the group	
			March 31, 2022	March 31, 2021
J.P.Sauer & Sohn Maschinenbau Beteiligungsgesellschaft MBH (Holding Company)	Foreign Company	Germany	74%	74%
Elgi Equipments Limited	Domestic Company	India	26%	26%

(b) Others

JP Sauer & Sohn Maschinenbau GmbH- Germany, Girodin Sauer- France, Sauer Compressors USA - USA, Sauer Compressors UK Ltd - UK, Dr. Dieter Murmann Beteiligungsgesellschaft mbH, Haug Kompressoren AG- Switzerland, Sauer Compressors -USA, Elgi Ultra Limited- India(Coimbatore).

(c) Transactions with related parties

The following transactions occurred with related parties:

JP Sauer & Sohn Maschinenbau GmbH, Germany	March 31, 2022	March 31, 2021
Sale of Goods	1,702	2,099
Purchase of goods	190,036	149,766
Commission Received	5,093	10,272
Service Provided	9,800	7,080
Service Received	-	159
Amount payable	69,677	58,824
Amount receivable	5,097	7,382

JP Sauer & Sohn Maschinenbau Beteiligungsgesellschaft MBH, Germany	March 31, 2022	March 31, 2021
Dividend Paid	39,704	29,101

Elgi Equipments Limited, Coimbatore	March 31, 2022	March 31, 2021
Sale of Goods	321	297
Services Provided	-	-
Purchase of goods	3,470	4,551
Services Availed	4,237	4,737
Amount payable	3,348	1,909
Amount receivable	8	-
Dividend Paid	15,500	10,225
Dividend Received	432	-

Girodin Sauer, France	March 31, 2022	March 31, 2021
Sale of Goods	-	78
Purchase of goods	8,486	1,544
Amount payable	4,198	-

Dr. Dieter Murmann Beteiligungsgesellschaft mbH	March 31, 2022	March 31, 2021
Services Availed	1,700	-
Amount payable	-	-

Haug Kompressoren AG, Switzerland	March 31, 2022	March 31, 2021
Commission Received	-	1,572
Purchase of goods	162	-
Amount payable	162	-

Elgi Ultra Limited, Coimbatore	March 31, 2022	March 31, 2021
Services Availed	70	20
Amount payable	16	5

Sauer Compressors USA	March 31, 2022	March 31, 2021
Services Provided	724	-
Amount Receivable	-	-

Sauer Compressors UK LTD	March 31, 2022	March 31, 2021
Services Provided	183	-
Amount Receivable	-	-

(d) Terms and conditions

Transactions relating to dividends, subscriptions for new equity shares were on the same terms and conditions that applied to other shareholders. Goods and services were sold to related party based on the price list in force and terms that would be available to third parties. All other transactions were made on normal commercial terms and conditions and at market rates. All outstanding balances are unsecured and are repayable in cash.

**35 Expenditure in Foreign Currency**

Particulars	March 31, 2022	March 31, 2021
Travelling Expenses	76	45
Purchase of Materials	10,320	3,832
Services	1,700	906

**36 Earnings in Foreign Currency**

Particulars	March 31, 2022	March 31, 2021
a) FOB Value of exported goods	1,740	2,125
b) Engineering Support Services	7,683	5,429
c) Commission	5,093	11,843
d) Other Services	2,777	1,703
<b>Total</b>	<b>17,293</b>	<b>21,100</b>

**37 Details of Leasing Arrangements**

AS 116 Disclosure - The expense relating to short-term leases and leases of low-value asset, when the practical expediency is applied.

Particulars	March 31, 2022	March 31, 2021
Short term Lease	1,521,801	1,770,285
Leases of low value asset	11,880	142,560
<b>Total</b>	<b>1,533,681</b>	<b>1,912,845</b>

**Maturity analysis of Rental payments not recognized as lease liability**

Particulars	March 31, 2022	March 31, 2021
Short term Lease	894,656	1,022,464
Leases of low value asset	-	11,880

**38 Value of Imports Calculated on CIF basis**

Particulars	March 31, 2022		March 31, 2021	
	Manufacturing	Trading	Manufacturing	Trading
Raw Materials/Finished Goods*	50,752	135,874	34,780	123,683

\* Includes imports in INR values also

**Value of Indigenous and Imported Materials and Components Consumed**

Particulars	March 31, 2022		March 31, 2021	
	Manufacturing	Trading	Manufacturing	Trading
Imported Value	47,729	139,614	68,201	122,509
%	57.00%	88.74%	60.00%	92.49%
Indigenous Value	36,006	17,713	45,467	9,952
%	43.00%	11.26%	40.00%	7.51%
<b>Total</b>	<b>83,735</b>	<b>157,327</b>	<b>113,668</b>	<b>132,461</b>

**39 Details of dues to Micro, Small and Medium Enterprises as defined under the MSME Act, 2006**

Particulars	As at March 31, 2022	As at March 31, 2021
The principal amount and the interest due thereon remaining unpaid to any supplier		
Principal amount due to micro, small and medium enterprises	9,003	870
Interest due on above	-	-
<b>Total</b>	<b>9,003</b>	<b>870</b>
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond appointed day.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointment day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid for the purpose of disallowance as a deductible under section 23 of the MSMED Act, 2006.	-	-

The Company has disclosed the suppliers who have registered themselves under "Micro, Small and Medium Enterprises Development Act, 2006" to the extent they have identified on the basis of information available with the Company and relied upon by the auditors.

**40 Dividends made and proposed**

After the reporting dates the following dividends were proposed by the directors subject to the approval at the Annual General Meeting. The dividends have not been recognised as liabilities.

Particulars	March 31, 2022	March 31, 2021
Proposed Dividend	73,877	59,616

**41 Contingent Liabilities**

Particulars	March 31, 2022	March 31, 2021
Bank Guarantees	90,239	94,745

**42 Capital Commitment**

Particulars	March 31, 2022	March 31, 2021
Capital Commitment - Towards Green field project	156,511	-

43 The Company has not entered into any transactions with companies struck off under Companies Act, 2013

44 There are no proceedings initiated or pending against the company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 and the rules made there under

45 Income tax assessments have been completed upto Assessment Year 2019-2020.

46 All the immovable properties are held in the name of the Company.

**Elgi Sauer Compressors Limited**

**Notes to Financial Statements for the year ended 31st March, 2022**

**47 Ratios**

The following are analytical ratios for the year March 31, 2022 & March 31, 2021.

S No.	Ratios	Numerator	Denominator	March 31, 2022	March 31, 2021	Variance
1	Current Ratio	Current Assets	Current Liabilities	2.95	2.87	2.75%
2	Debt Equity Ratio	Total debt	Shareholders fund	N.A	N.A	N.A
3	Debt service coverage Ratio	Earnings available for debt service	debt service	N.A	N.A	N.A
4	Return on Equity Ratio	Total Comprehensive Income for the period	Shareholders fund	33.55%	40.44%	-6.89%
5	Inventory Turnover ratio (i)	Revenue from operations	Average Inventory	22.02	12.55	75.52%
6	Trade Receivables turnover ratio	Revenue from operations	Average Trade Receivables	1.99	2.15	-7.48%
7	Trade payables Turnover ratio (ii)	Revenue from operations	Average Trade payables	5.71	7.26	-21.29%
8	Working capital Turnover ratio	Revenue from operation	Average working capital (Current Assets - current Liabilities)	1.68	1.88	-10.41%
9	Net profit ratio	Total Comprehensive Income for the period	Revenue from operation	33.57%	33.66%	-0.09%
10	Return on Capital Employed	Earnings before Interest and Tax	Capital employed (iii)	28.88%	29.87%	-0.99%
11	Return on Investment (iv)	Dividend + Market appreciation	Average Investments	38.10%	154.64%	-116.54%

(i) Improvement in Inventory management

(ii) Improvement in working capital management

(iii) Capital employed = Total Assets - Deferred tax liabilities - Current liabilities

(iv) The market value of the Investment as on 01-04-2020 was impacted adversely due to covid.

Whereas the market value as on 31-03-2021 had a significant favourable impact due to issue of bonus shares and positive market sentiments.

48 Previous year's figures have been reclassified and regrouped wherever necessary to confirm to current year's classification.

For VKS Aiyer & Co.  
Chartered Accountants  
Firm Registration No. 0000665

Leena M Sathyanarayanan  
Partner  
Membership No. 204177  
Place: Coimbatore  
Date: 06-05-2022

For and on behalf of the Board of Directors  
Elgi Sauer Compressors Limited

Jairam Varadaraj  
Director  
(DIN: 00058056)

Franck Bernard Lallart  
Director  
(DIN:09529807)