

# RJC ASSOCIATES

Chartered Accountants

R. Jeyachandran FCA ACS  
M. Prabhakar FCA  
PARTNERS

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## Inter-firm report

### ***Independent auditor's report on special purpose financial information prepared for consolidation purposes***

To the ***Price Waterhouse Chartered Accountants LLP, Chennai***

As requested in your group audit instructions dated March, 06 2025, we have audited, for purposes of your audit of the consolidated financial statements of Elgi Equipments Limited, the accompanying special purpose financial information (the "financial information") of **Elgi Compressores Do Brasil Importadora E Exportadora Ltda** as of March 31, 2025 and for the year then ended. The financial information has been prepared solely to enable Elgi Equipments Limited to prepare its consolidated financial statements.

#### **Component management's responsibility for the special purpose financial information**

Component management is responsible for the preparation of the special purpose financial information in accordance with the policies contained in the Elgi Equipment Limited's accounting policies which is based on the Indian Accounting Standards as prescribed under section 133 of the Companies Act, 2013 and for such internal control as management determines is necessary to enable the preparation of the financial information that is free of material misstatement, whether due to fraud or error.

#### **Component auditor's responsibility**

Our responsibility is to express an opinion on this special purpose financial information based on the scope of our work performed in accordance with your instructions, using Standards on Auditing issued by ICAI relevant to that scope. As requested by you, we have planned and performed our audit using the component performance materiality amounts specified in your instructions.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial information. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the special purpose financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the special purpose financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, made by management, as well as evaluating the overall presentation of the special purpose financial information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. The conclusions reached in forming our opinion are based on the component performance materiality amounts specified by you in the context of the audit of the consolidated financial statements of the group.

We have complied with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by The Code of Ethics issued by the Institute of Chartered Accountants of India as it relates to relevant ethical requirements, including independence, as described in our independence confirmation dated 11/03/2025.



## Opinion

In our opinion, based on the scope of our work performed in accordance with your instructions, the accompanying special purpose financial information for **Elgi Compressores Do Brasil Importadora E Exportadora Ltda** as at March 31, 2025 and for the year then ended has been prepared, in all material respects, in accordance with the policies contained in the Elgi Equipment Limited's accounting policies.

## Restriction on use and distribution

This special purpose financial information has been prepared for purposes of providing information to Elgi Equipments Limited to enable it to prepare the consolidated financial statements of the group. As a result, the special purpose financial information is not a complete set of financial statements of **Elgi Compressores Do Brasil Importadora E Exportadora Ltda** in accordance with applicable financial reporting framework underlying the group's accounting policies and is not intended to give a true and fair view of the financial position of **Elgi Compressores Do Brasil Importadora E Exportadora Ltda** as of March 31, 2025 and of its financial performance, and its cash flows for the year then ended in accordance with Indian Accounting Standards. The financial information may, therefore, not be suitable for another purpose.

This report is intended solely for **Price Waterhouse Chartered Accountants LLP** – Chennai, Elgi Equipment Limited's group auditor and should not be used by or distributed to other parties.

For RJC Associates

Chartered Accountants

Firm's Registration No: 003496S



R.Jeyachandran

Partner

Membership No: 021848



Coimbatore

26-05-2025

UDIN: 25021848BMHYFW6886

# RJC ASSOCIATES

Chartered Accountants

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## Appendix I

To: Price Waterhouse Chartered Accountants LLP, Chennai

From: RJC Associates, Chartered Accountants

### ***Memorandum of Work Performed for the Year Ended March 31, 2025***

#### **Restriction of Use**

This memorandum is intended solely for the use of Price Waterhouse Chartered Accountants LLP in connection with the audit of the group financial statements of Elgi Equipments Limited and is not to be used for any other purpose. The matters raised in this memorandum are only those that have come to our attention arising from our work on the financial information of Elgi Compressores Do Brasil Importadora E Exportadora Ltda, which was performed in accordance with the Elgi Equipments Limited Interfirm Letter of Instruction ('Instructions') dated March 06 2025.

#### **Scope of the Work Performed by us**

The scope of the work performed by us on the financial information of Elgi Compressores Do Brasil Importadora E Exportadora Ltda was in accordance with the Instructions dated March 06 2025 received from you.

#### **Identification of Financial Information Being Reported on**

Report identifiers: Financial Statements for the period ended March 31, 2025

Financial information	Presentation Currency: INR in Millions	
	Current year 31 March 2025	Prior year 31 March 2024
Income	698.87	714.81
Profit after tax	146.21	169.59
OCI net of tax	(35.94)	2.20
Total Assets	541.98	555.34
Total Equity	425.68	315.41



## Analytics

Variance analysis provided as separate Annexure 1 to the Memorandum of work performed – Including the Balance Sheet as of March 31, 2025 and the income statement for the period ended then including comparative figures and explaining the significant fluxes in sufficient detail as follows:

(a) In respect of Profit and loss balances –

(INR in Millions)

Description	Quarter ended			Year ended	
	Mar 2025	Dec 2024	Mar 2024	Mar 2025	Mar 2024
Income	215.9	194.64	218.42	698.87	714.81
Profit after tax	46.43	46.04	54.94	146.21	169.59
OCI net of tax	70.88	9.37	(1.80)	(35.94)	2.20
Total Assets				541.98	555.34
Total Equity				425.68	315.41

(b) In respect of Balance sheet balances -

Balance as of March 31, 2025 vs Balance as of March 31, 2024.

(c) Please provide us with the reasons for the margin variance wrt the periods specified in point (a)

- There is decrease in sales (net decrease 15.94 due to Exchange Fluctuation) and increase in cost of material consumed (net increase 11.60 due to provision made on unsold stock for more than 3 years during the year)

In addition to the above, please provide us with the completed Audit Questionnaire in **Appendix M**

## Significant and Elevated Risks and our Responses

Except Revenue and Management override of controls, we did not identify additional significant and/or elevated risks of material misstatement at the component level that are relevant to the group financial statements.

## Laws and Regulations

No instances of non-compliance requiring your attention were noted.

## Fraud

No instances of fraud requiring your attention were noted.

## Indicators of Management Bias

No indicators of management bias were detected by us.

## Significant Matters

No significant matters were identified



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## Reporting Representations

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We confirm that,

In our opinion and to the best of our information and according to the explanations given to us:

- i. The group reporting pack disclose the impact, if any, of pending litigations on the financial position of the Component.
- ii. The component does not have any long-term contracts as at March 31, 2025.
- iii. We confirm that:
  - (a) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the component or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the component or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) No funds (which are material either individually or in the aggregate) have been received by the component or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the component or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

### Summary of Uncorrected Misstatements

No uncorrected misstatements were noted.

### Schedule of Audit Adjustments

No audit adjustments were proposed by us and booked by the component management.

### Key Audit Matters (KAMs)

Not applicable.

### Summary of Deficiencies in Internal Control at the Component Level

No deficiencies were noted.

### Intercompany stock lying in the Component (Detailed listings of identification to be provided in Appendix O)

Intercompany stock lying in the Component provided in Appendix O.

### Related Parties

We confirm that the related party balances & transactions as furnished by the component team (as attached as annexure 2 to this report), is accurate and complete.

No related parties were identified by us in addition to the names communicated by you in your Instructions.



### **Journal Entries**

No concerns were noted.

### **Subsequent Events Procedures**

We performed the procedures as requested. No items requiring your attention were noted.

### **Matters to be communicated to {Group Management and/or Those Charged with Governance}**

No specific representations to be included

### **Specific Representations from Group Management**

No specific representations to be included

### **Going Concern Status of Component**

No items requiring your attention were noted.

### **Litigation and Claims**

No items requiring your attention were noted.

### **Use of Technology Solutions**

No items requiring your attention were noted.

### **Interfirm Report**

Please refer to our attached Inter-firm Report.

### **Information from your firm's system of quality management (SoQM)**

Our firm has implemented a system of quality management that is designed to meet the objectives of SoQM.

### **Engagement Resources**

We confirm that since our previous confirmation dated March 11 2025: Sufficient and appropriate engagement resources (i.e., human, technological, and intellectual resources), including human resources with the appropriate competence and capabilities and sufficient time, were utilized in performing the work requested in accordance with your instructions.



## Independence Confirmation

We confirm that:

1. We are independent and have remained independent throughout the engagement period and the period covered by the group financial statements in accordance with the independence requirements of the ICAI Code of Ethics, including the applicable independence requirements relevant to entities that are public interest entities as specified in your Instructions with respect to the entities specified in your Instructions dated March 06 2025.
2. We have complied with the ethical requirements of the ICAI Code of Ethics.
3. We will inform you, as soon as possible, of any changes in the representations made above.

### Other Matters, Including Exceptions Noted in the Written Representations from Component Management

We confirm that, apart from the matters noted above, we have not become aware of any other matters relating to the financial information of M/s. Elgi Compressores Do Brasil Importadora E Exportadora Ltda or the group financial statements of Elgi Equipments Limited that we need to report to you.

We also confirm that we have complied with all your requirements, as set out in your Instructions dated March 06 2025.

For RJC Associates

Chartered Accountants

Firm's Registration No: 003496S

R. Jeyachandran  
R. Jeyachandran  
Partner  
Membership No: 021848  
Date: 26/05/2025



# Appendix I.1

## Breaches of independence

Name of entity to which the breach relates	NA
Description of breach, including nature and duration and assessment of significance The description herein should be of sufficient detail to enable the group auditor to understand the matter.	NA
Actions proposed or taken to address the consequences of the breach	NA
Conclusion as to whether the breach has compromised your Firm's objectivity and ability to perform audit work for the purposes of the Group audit, and the rationale	NA



# Appendix I.2

## ***Independence matters requiring significant judgment (that did not constitute a breach of independence requirements)***

Name of entity to which the matter relates	NA
Summary of matter The description should be of sufficient detail to enable the group auditor to understand the matter.	NA
Threat(s) identified and related evaluation	NA
How threats were addressed	NA
Component auditor firm's conclusion as to whether the threats to its independence are at an acceptable level and rationale	NA







Elgi Compressors Do Brasil Imp.E.Exp LTDA

Statement of Audited Standalone Financial Results for the quarter and year ended 31-Mar-2025

Financial Results (SEBI)	QE Mar (CY)	QE Dec (CY)	QE Mar (PY)	YTD Mar (CY)	Amounts in '0 YTD Mar (PY)
<b>1. Income</b>					
(a) Revenue from operations	21,55,84,776.97	19,38,94,027.47	21,88,70,618.66	69,75,34,923.05	71,00,71,457.58
(b) Other income	3,13,492.45	7,42,091.38	(4,45,242.45)	13,30,375.80	47,41,526.68
<b>Total income</b>	<b>21,58,98,269.42</b>	<b>19,46,36,118.85</b>	<b>21,84,25,376.21</b>	<b>69,88,65,298.85</b>	<b>71,48,12,984.26</b>
<b>2. Expenses</b>					
(a) Cost of materials consumed	7,36,56,794.70	8,72,83,794.45	8,50,55,237.03	34,14,72,028.77	30,65,96,029.26
(b) Purchases of stock-in-trade	-	-	-	-	-
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	2,73,73,991.32	4,15,170.21	1,27,12,385.32	(80,89,778.37)	1,51,81,324.60
(d) Employee benefits expenses	1,96,86,277.93	1,82,05,071.38	1,93,61,076.65	7,41,08,664.70	7,12,56,415.85
(e) Finance costs	14,745.73	(5,947.60)	10,72,464.82	3,26,719.55	26,69,710.42
(f) Depreciation and amortisation expenses	1,88,062.64	1,79,536.41	1,52,660.45	7,26,708.64	6,10,130.49
(g) Other expenses	1,85,98,929.22	1,54,74,615.56	1,66,07,470.21	6,06,23,993.19	5,93,41,481.50
<b>Total expenses</b>	<b>13,95,18,801.54</b>	<b>12,15,52,240.41</b>	<b>13,49,61,294.48</b>	<b>46,91,68,336.48</b>	<b>45,56,55,092.12</b>
<b>3. Profit before tax and share of profit/(loss) of joint ventures accounted under equity method</b>	<b>7,63,79,467.88</b>	<b>7,30,83,878.44</b>	<b>8,34,64,081.73</b>	<b>22,96,96,962.37</b>	<b>25,91,57,892.14</b>
4. Share of profit/(loss) of joint ventures accounted for using equity method	-	-	-	-	-
<b>5. Profit before tax (3+4)</b>	<b>7,63,79,467.88</b>	<b>7,30,83,878.44</b>	<b>8,34,64,081.73</b>	<b>22,96,96,962.37</b>	<b>25,91,57,892.14</b>
<b>6. Income tax expense</b>					
-Current tax	2,33,51,079.20	1,86,25,776.27	2,86,24,120.04	5,79,92,458.00	7,65,47,158.42
-Deferred tax	66,00,220.27	84,13,236.01	(99,711.88)	2,54,95,254.57	1,30,17,761.63
<b>7. Net Profit for the period (5-7)</b>	<b>4,64,28,168.41</b>	<b>4,60,44,866.16</b>	<b>5,49,39,673.57</b>	<b>14,62,09,249.80</b>	<b>16,95,92,972.09</b>
<b>8. Other comprehensive income/(loss), net of income tax</b>					
A. Items that will not be reclassified to profit or loss	-	-	-	-	-
B. Items that will be reclassified to profit or loss	2,44,49,813.91	(3,66,77,125.72)	(83,75,330.56)	(3,59,40,038.22)	21,96,740.92
<b>Total other comprehensive income/(loss), net of income tax</b>	<b>2,44,49,813.91</b>	<b>(3,66,77,125.72)</b>	<b>(83,75,330.56)</b>	<b>(3,59,40,038.22)</b>	<b>21,96,740.92</b>
<b>9. Total comprehensive income for the period (7+8)</b>	<b>7,08,77,982.32</b>	<b>93,67,740.44</b>	<b>4,65,64,343.01</b>	<b>11,02,69,211.58</b>	<b>17,17,89,713.01</b>



Elgi Compressors Do Brasil Imp.E.Exp LTDA  
Balance Sheet as at March 31, 2025

Balance Sheet	Note	In ₹ Actual	
		As At March 31, 2025	As At March 31, 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3a	40,44,785.74	32,99,791.87
Right of use assets	3b	-	-
Capital work-in-progress	3a	-	-
Other intangible assets	5	-	-
Financial assets			
(i) Investments	6	-	-
(ii) Loans	7	-	-
(iii) Other financial assets	8	-	-
Deferred tax assets (Net)	26c	-	2,84,11,789.26
<b>Total non-current assets</b>		<b>40,44,785.74</b>	<b>3,17,11,581.13</b>
<b>Current Assets</b>			
Inventories	10	16,76,52,259.97	15,94,64,200.71
Financial assets			
(i) Trade receivables	11	26,67,70,747.45	25,02,14,473.12
(ii) Cash and cash equivalents	12	7,20,74,013.93	7,71,67,236.93
(v) Loans	14	6,75,046.62	5,36,401.10
Other current assets	16	3,07,58,379.34	3,62,44,638.98
<b>Total current assets</b>		<b>53,79,30,447.31</b>	<b>52,36,26,950.84</b>
<b>Total Assets</b>		<b>54,19,75,233.05</b>	<b>55,53,38,531.97</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	17	11,00,61,139.30	11,00,61,139.30
Other equity	18	31,56,14,959.34	20,53,45,747.76
<b>Total equity</b>		<b>42,56,76,098.64</b>	<b>31,54,06,887.06</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	19b	(0.30)	8,35,64,069.10
(iii) Trade payables			
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	22	5,63,08,505.81	12,65,54,361.86
(iv) Other financial liabilities	23	77,11,996.45	70,16,964.87
Current tax liabilities (net)	26b	1,18,618.99	58,30,442.85
Other current liabilities	25	5,21,60,013.46	1,69,65,806.23
<b>Total current liabilities</b>		<b>11,62,99,134.41</b>	<b>23,99,31,644.91</b>
<b>Total liabilities</b>		<b>11,62,99,134.41</b>	<b>23,99,31,644.91</b>
<b>Total equity and liabilities</b>		<b>54,19,75,233.05</b>	<b>55,53,38,531.97</b>



Elgi Compressors Do Brasil Imp.E.Exp LTDA  
Profit & Loss Account for the year ended March 31, 2025

Statement of Profit and Loss

	Note	April 01, 2024 to March 31, 2025	In ₹ Actual April 01, 2023 to March 31, 2024
Revenue from operations	27	69,75,34,923.05	71,00,71,457.58
Other income	28	13,30,375.80	47,41,526.68
<b>Total income</b>		<b>69,88,65,298.85</b>	<b>71,48,12,984.26</b>
<b>Expenses</b>			
Cost of materials consumed	29	34,14,72,028.77	30,65,96,029.26
Purchases of stock-in-trade	30	-	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	31	(80,89,778.37)	1,51,81,324.60
Employee benefits expenses	32	7,41,08,664.70	7,12,56,415.85
Finance costs	33	3,26,719.55	26,69,710.42
Depreciation and amortisation expenses	34	7,26,708.64	6,10,130.49
Other expenses	35	6,06,23,993.19	5,93,41,481.50
<b>Total expenses</b>		<b>46,91,68,336.48</b>	<b>45,56,55,092.12</b>
<b>Profit before exceptional items, share of net profits of investments accounted for using equity method and tax</b>		<b>22,96,96,962.37</b>	<b>25,91,57,892.14</b>
Share of profit/(loss) of joint ventures accounted for using equity method		-	-
Exceptional items		-	-
<b>Profit before tax</b>		<b>22,96,96,962.37</b>	<b>25,91,57,892.14</b>
<b>Income tax expense</b>			
- Current tax		5,79,92,458.00	7,65,47,158.42
- Deferred tax		2,54,95,254.57	1,30,17,761.63
<b>Profit for the year from continuing operations</b>		<b>14,62,09,249.80</b>	<b>16,95,92,972.09</b>
<b>Profit for the year</b>		<b>14,62,09,249.80</b>	<b>16,95,92,972.09</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Change in fair value of FVOCI equity instruments		-	-
Remeasurement of post-employment benefit obligations		-	-
Income tax relating to these items		-	-
<b>Items that will be reclassified to profit or loss</b>			
Changes in fair value of interest rate swap		-	-
Deferred tax relating to above changes in interest rate swap		-	-
Changes in foreign currency translation reserve		(3,59,40,038.22)	21,96,740.92
<b>Other comprehensive income for the year, net of tax</b>		<b>(3,59,40,038.22)</b>	<b>21,96,740.92</b>
<b>Total comprehensive income for the year</b>		<b>11,02,69,211.58</b>	<b>17,17,89,713.01</b>



Elgi Compressores Do Brasil

Standalone Financial Information

Notes to Standalone Financial Information as at and for the year ended March 31, 2025

3(a). Property, plant and equipment

In INR Ones

Particulars	Land	Buildings	Plant & Machinery	Furniture, Fixtures & Office Equipment	Vehicles	Computers and other assets	Canteen Equipments	Total	Assets under Finance leases regrouped to ROU assets w.e.f 01.04.2019	Total
<b>As at and year ended March 31, 2025</b>										
Gross carrying amount										
Opening gross carrying amount	-	-	56,96,668	40,38,746	5,23,348	19,83,978	60,235	1,23,02,975	-	1,23,02,975
Business combinations	-	-	-	-	-	-	-	-	-	-
Additions	-	-	5,01,555	4,79,028	-	8,52,029	-	18,32,613	-	18,32,613
Disposal	-	-	-	-	-	-	-	-	-	-
Exchange Difference	-	-	(6,31,370)	(4,48,646)	(57,621)	(2,25,511)	(6,632)	(13,69,780)	-	(13,69,780)
Transfers	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	-	-	55,66,853	40,69,129	4,65,727	26,10,496	53,603	1,27,65,808	-	1,27,65,808
<b>Accumulated depreciation</b>										
Opening Accumulated depreciation	-	-	54,49,882	19,55,591	5,23,348	10,49,870	24,493	90,03,184	-	90,03,184
For the year	-	-	69,142	2,60,002	-	3,95,381	2,162	7,26,687	-	7,26,687
Disposal	-	-	-	(11,659)	-	-	-	(11,659)	-	(11,659)
Exchange Difference	-	-	(6,00,609)	(2,17,374)	(57,621)	(1,18,871)	(2,715)	(9,97,190)	-	(9,97,190)
Transfers	-	-	-	-	-	-	-	-	-	-
Closing Accumulated depreciation	-	-	49,18,415	19,86,560	4,65,727	13,26,379	23,941	87,21,022	-	87,21,022
Net carrying amount	-	-	6,48,438	20,82,568	-	12,84,117	29,662	40,44,786	-	40,44,786
<b>As at and year ended March 31, 2024</b>										
Gross carrying amount										
Opening gross carrying amount	-	-	53,20,642	39,16,347	5,10,663	14,59,834	58,775	1,12,66,260	-	1,12,66,260
Business combinations	-	-	-	-	-	-	-	-	-	-
Additions	-	-	2,45,846	25,321	-	4,91,857	-	7,63,024	-	7,63,024
Disposal	-	-	-	-	-	-	-	-	-	-
Exchange Difference	-	-	1,30,180	97,079	12,685	32,287	1,460	2,73,691	-	2,73,691
Transfers	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	-	-	56,96,668	40,38,746	5,23,348	19,83,978	60,235	1,23,02,975	-	1,23,02,975
<b>Accumulated depreciation</b>										
Opening Accumulated depreciation	-	-	52,12,084	16,64,968	5,10,663	7,85,168	21,549	81,94,431	-	81,94,431
For the year	-	-	1,09,210	2,51,296	-	2,47,196	2,429	6,10,130	-	6,10,130
Disposal	-	-	-	-	-	-	-	-	-	-
Exchange Difference	-	-	1,28,588	39,327	12,685	17,506	516	1,98,622	-	1,98,622
Transfers	-	-	-	-	-	-	-	-	-	-
Closing Accumulated depreciation	-	-	54,49,882	19,55,591	5,23,348	10,49,870	24,493	90,03,184	-	90,03,184
Net carrying amount	-	-	2,46,787	20,83,155	-	9,34,109	35,742	32,99,792	-	32,99,792



**i) Accounting Policy**

Free-hold land is carried at historical cost. All other property, plant and equipments is recognised at historical cost less depreciation. The residual values are not more than 5% of the original cost of the asset.

**Depreciation methods and estimated useful life**

Particulars	depreciation (SLM / WDV)	Useful life (years)
Land		
Building		
Plant & Machinery		
Furniture and Fixtures		
Vehicle		
Lease hold Improvements*		

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

**ii) Property, Plant and equipments pledged as security**

Refer note 43 for information on property, plant and equipment pledged as security by the Company.

**iii) Assets given under operating lease**

Reconciliation of gross and net carrying amount of assets given under lease as at March 31, 2025 and March 31, 2024 is given as follows:

Particulars	March 31, 2025	March 31, 2024
Gross carrying amount		
Accumulated Depreciation		
Net carrying amount	-	-

**iv) Capital Work-in-progress**

The Capital Work-in-progress mail comprises of Plant & Machinery under construction.

**a) Ageing of Capital work-in-progress**

Particulars	Amounts in Capital work-in-progress for			Total
	Less than one year	1 - 2 years	2 - 3 years More than 3 years	
As at and year ended March 31, 2025				
(i) Projects in Progress				-
As at and year ended March 31, 2024				
(i) Projects in Progress				-

**(b) Completion schedule for capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan**

Particulars	Amounts in Capital work-in-progress for			Total
	Less than one year	1 - 2 years	2 - 3 years More than 3 years	
As at and year ended March 31, 2025				
(i) Projects in Progress				-
As at and year ended March 31, 2024				
(i) Projects in Progress				-



Elgi Compressores Do Brasil  
Standalone Financial Information

Notes to Standalone Financial Information as at and for the year ended March 31, 2025

3(b)(f) Right of use assets

In INR Ones

Particulars	(Finance Leases regrouped from Property, Plant & Equipments-Note-3(a))					Total
	Land	Building	Plant and Machinery	Vehicles	Furniture & Fixtures	
<b>As at and year ended March 31, 2025</b>						
Gross carrying amount	-	-	-	-	-	-
Opening gross carrying amount	-	-	-	-	-	-
Business combinations	-	-	-	-	-	-
Additions	-	-	-	-	-	-
Disposal	-	-	-	-	-	-
Closing gross carrying amount	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-
Opening gross carrying amount	-	-	-	-	-	-
For the year	-	-	-	-	-	-
Disposal	-	-	-	-	-	-
Closing Accumulated depreciation	-	-	-	-	-	-
Net carrying amount	-	-	-	-	-	-
<b>As at and year ended March 31, 2024</b>						
Gross carrying amount	-	-	-	-	-	-
Opening gross carrying amount	-	-	-	-	-	-
Business combinations	-	-	-	-	-	-
Additions	-	-	-	-	-	-
Disposal	-	-	-	-	-	-
Closing gross carrying amount	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-
Opening gross carrying amount	-	-	-	-	-	-
For the year	-	-	-	-	-	-
Disposal	-	-	-	-	-	-
Closing Accumulated depreciation	-	-	-	-	-	-
Net carrying amount	-	-	-	-	-	-

This note provides information for leases where the group is a lessee.

The group leases various offices, warehouses, office equipments and vehicles. Rental contracts are typically made for fixed periods of 3 months to \_ years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

The lease payments are discounted using the incremental borrowing rate in the absence of interest rate implicit in the lease. The incremental borrowing rate is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Right-of-use assets are generally depreciated over the shorter of the useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset depreciated over the underlying asset's useful life.



Particulars	Incremental borrowing rate for new leases		in %
	As at March 31, 2025	As at March 31, 2024	
Land	NA	NA	NA
Building	NA	NA	NA
Plant and Machinery	NA	NA	NA
Vehicles	NA	NA	NA
Furniture & Fixtures	NA	NA	NA
Office equipment	NA	NA	NA

3(b)(ii) Lease liabilities	In INR Ones	
	As at March 31, 2025	As at March 31, 2024
Current	-	-
Non-current	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

iii) Amounts recognised in the statement of profit and loss  
The statement of profit or loss shows the following amounts relating to leases:

Particulars	In INR Ones	
	As at March 31, 2025	As at March 31, 2024
<b>Depreciation of Right of use assets</b>		
Land	-	-
Building	-	-
Plant and Machinery	-	-
Vehicles	-	-
Furniture & Fixtures	-	-
Office equipment	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Particulars	In INR Ones	
	As at March 31, 2025	As at March 31, 2024
<b>Included in Finance costs</b>		
Interest expense	-	-
<b>Included in Other expenses</b>		
Expenses relating to short term leases (included in Other expenses)	50,36,430	57,11,417
<b>Total</b>	<b>50,36,430</b>	<b>57,11,417</b>

(iv) Extension and termination options

Extension and termination options are included in a number of property leases. The majority of extension and termination options held are exercisable only by the group and not by respective lessor.

(v) Critical judgements in determining lease term:

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).



5. Other Intangible assets and Goodwill						In INR Ones
Particulars	Computer Software	Customer lists	Brand names*	Non- Compete fees*	Total Intangible assets	Goodwill
<b>As at and for year ended March 31, 2025</b>						
<b>Gross carrying amount</b>						
Opening gross carrying amount	25,64,145	-	-	-	25,64,145	-
Additions	-	-	-	-	-	-
Exchange Difference	-2,82,314	-	-	-	-2,82,314	-
Disposal	-	-	-	-	-	-
<b>Closing gross carrying amount</b>	<b>22,81,831</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,81,831</b>	<b>-</b>
<b>Accumulated amortisation</b>						
Opening accumulated amortisation	25,64,145	-	-	-	25,64,145	-
For the year	-	-	-	-	-	-
Exchange Difference	-2,82,314	-	-	-	-2,82,314	-
Disposal	-	-	-	-	-	-
<b>Closing accumulated amortisation</b>	<b>22,81,831</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,81,831</b>	<b>-</b>
<b>Net carrying amount</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>-</b>
<b>As at and for year ended March 31, 2024</b>						
<b>Gross carrying amount</b>						
Opening gross carrying amount	25,01,994	-	-	-	25,01,994	-
Additions	-	-	-	-	-	-
Exchange Difference	62,151	-	-	-	62,151	-
Disposal	-	-	-	-	-	-
<b>Closing gross carrying amount</b>	<b>25,64,145</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,64,145</b>	<b>-</b>
<b>Accumulated amortisation</b>						
Opening accumulated amortisation	25,01,994	-	-	-	25,01,994	-
For the year	-	-	-	-	-	-
Exchange Difference	62,151	-	-	-	62,151	-
Disposal	-	-	-	-	-	-
<b>Closing accumulated amortisation</b>	<b>25,64,145</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,64,145</b>	<b>-</b>
<b>Net carrying amount</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>-</b>

\*Were acquired as a part of Business Combinations.

(i) Amortisation method and useful lives

The Company amortises intangible assets with a limited useful life on a straight line basis over the following periods.

Particulars	Method	Useful life (years)
Computer Software		
Customer lists		
Brand names		
Non- Compete fees		

iii) Impairment tests for goodwill

Goodwill is monitored by management at the level of each Cash generating unit (CGU):

A CGU level summary of the goodwill allocation is presented below

Particulars	Italy	Belgium	USA			Australia
	Portables	EPSAC	Pattons	Michigan	Portables	Pulford
March 31, 2025						
March 31, 2024						



(iii) Significant estimate

Key assumptions used for value-in-use calculations

The group tests whether goodwill has suffered any impairment on an annual basis as at March. The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five year period. Cash flows beyond the five year period are extrapolated using the estimated growth rates stated below.

The following table sets out the key assumptions

Particulars	Italy	Belgium	USA			Australia
	Portables	EPSAC	Pattons	Michigan	Portables	Pulford
March 31, 2025						
Long term growth rate (%)						
Post-tax discount rate (%)						
Other assumptions-(Please specify)						
March 31, 2024						
Long term growth rate (%)						
Post-tax discount rate (%)						
Other assumptions-(Please specify)						

Management has determined the values assigned to the assumptions as follows:

Assumption	Approach used to determining values
Sales	Average annual growth rate over the explicit forecast period; based on past performance and management's expectations of market development.
Budgeted gross margin	Based on past performance and management's expectations for the future.
Other operating costs	Management forecasts these costs based on the current structure of the business, adjusting for inflationary increases but not reflecting any future restructurings.
Annual capital expenditure	Expected cash costs in the CGUs. This is based on the historical experience of management, and the planned refurbishment expenditure. No incremental revenue or cost savings are assumed in the value-in-use model as a result of this expenditure.
Long-term growth rate	This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports
Post-tax discount rates	Reflect specific risks relating to the relevant businesses and the countries in which they operate.

The group has considered and assessed reasonably possible changes for key assumptions and have not identified any instances that could cause carrying amount of the above mentioned CGU's to exceed its recoverable amount.



Elgi Compressors Do Brasil Imp.E.Exp LTDA  
Schedules to the Balance Sheet as at March 31, 2025

6. Investments (Non-current)

In ₹ Actual  
As At March 31, 2025 As At March 31, 2024

(i) At Cost

Investment in Equity instruments (fully paid-up) (Unquoted )

Investments In Subsidiaries (wholly owned)

Investments In Joint Ventures

Investments in Partnership Firms

(ii) At fair value through other comprehensive Income

Investments in Equity Instruments-(fully paid-up) (Quoted)

Investments In Preference Shares

Investments In Government Or Trust Securities

Investments In Debentures Or Bonds

Investment in Equity instruments (fully paid-up) (Unquoted)

Total

- -

10. Inventories

(a) Raw materials and components

98,280.89

-

(c) Finished goods

16,75,53,979.08

15,94,64,200.71

Total

16,76,52,259.97

15,94,64,200.71

11. Trade receivables

Unsecured, considered good

26,67,70,747.45

25,16,43,136.28

Unsecured, considered doubtful

-

-

26,67,70,747.45

25,16,43,136.28

Less: Allowance for doubtful debts (expected credit loss allowance)

-

(14,28,663.16)

Total

26,67,70,747.45

25,02,14,473.12

12. Cash and cash equivalents

(c) Balance with banks

- In current accounts

7,20,74,013.93

7,71,67,236.93

Total

7,20,74,013.93

7,71,67,236.93

14. Loans (Current)

Loans considered good - Unsecured

Loan to employees

6,75,046.62

5,36,401.10

6,75,046.62

5,36,401.10

Loans- Credit impaired

6,75,046.62

5,36,401.10

Total

6,75,046.62

5,36,401.10

15. Other financial asset

Derivative instruments not designated as hedges

Derivative instruments designated as hedges

Interest rate swap

Others



**Elgi Compressors Do Brasil Imp.E.Exp LTDA**  
**Schedules to the Balance Sheet as at March 31, 2025**

**16. Other current assets**

Prepaid expenses	7,72,813.24	5,16,658.93
Balance with Government authorities	2,49,59,465.75	3,01,04,951.05
Advance to suppliers	48,45,995.11	54,50,193.43
Others	1,80,105.24	1,72,835.57
<b>Total</b>	<b>3,07,58,379.34</b>	<b>3,62,44,638.98</b>

**17. Equity Share capital**

In ₹ Actual  
As At March 31, 2025 As At March 31, 2024

**Authorised**

Equity shares

**Issued, Subscribed and fully paid up**

Equity shares

**Total**

	11,00,61,139.30	11,00,61,139.30
<b>Total</b>	<b>11,00,61,139.30</b>	<b>11,00,61,139.30</b>

**18. Other Equity**

In ₹ Actual  
As At March 31, 2025 As At March 31, 2024

**Reserves & Surplus**

Retained earnings	26,68,53,620.78	12,06,44,370.98
Other Reserves	4,87,61,338.56	8,47,01,376.78
<b>Total</b>	<b>31,56,14,959.34</b>	<b>20,53,45,747.76</b>

**18. Other equity- Movement during the year**

In ₹ Actual  
As At March 31, 2025 As At March 31, 2024

**a) Capital reserve**

Opening balance

Additions during the year

Deductions/adjustments during the year

**Closing balance**

	-	-
	-	-
	-	-
<b>Closing balance</b>	<b>-</b>	<b>-</b>

**b) Securities Premium reserve**

Opening balance

Additions during the year

Deductions/adjustments during the year

**Closing balance**

	-	-
	-	-
	-	-
<b>Closing balance</b>	<b>-</b>	<b>-</b>

**c) Statutory reserve**

Opening balance

Additions during the year

Deductions/adjustments during the year

**Closing balance**

	-	-
	-	-
	-	-
<b>Closing balance</b>	<b>-</b>	<b>-</b>

**d) General reserve**

Opening balance

Additions during the year

Deductions/adjustments during the year

**Closing balance**

	-	-
	-	-
	-	-
<b>Closing balance</b>	<b>-</b>	<b>-</b>

**e) Share option outstanding account**

Opening balance

**Closing balance**

	-	-
<b>Closing balance</b>	<b>-</b>	<b>-</b>



**Elgi Compressors Do Brasil Imp.E.Exp LTDA**  
**Schedules to the Balance Sheet as at March 31, 2025**

<b>f) Retained earnings</b>		
Opening balance	12,06,44,370.98	(4,89,48,601.11)
Net profit for the period	14,62,09,249.80	16,95,92,972.09
Item of other comprehensive income recognised directly in retained earnings	-	-
<b>Appropriations</b>		
Dividend on equity shares	-	-
<b>Closing balance</b>	<b>26,68,53,620.78</b>	<b>12,06,44,370.98</b>
<b>g) Treasury Stock</b>		
Opening balance	-	-
<b>h) Other Reserves</b>		
<b>FVOCI - Equity instruments</b>		
Opening balance	-	-
Additions during the year	-	-
Deductions/adjustments during the year	-	-
<b>Closing balance</b>	<b>-</b>	<b>-</b>
<b>Cash flow hedge reserve</b>		
Opening balance	-	-
Changes in fair value of interest rate swap (net of tax)	-	-
Deductions/(Adjustments) during the year	-	-
<b>Closing balance</b>	<b>-</b>	<b>-</b>
<b>Foreign currency translation reserve</b>		
Opening balance	8,47,01,376.78	8,25,04,635.86
Changes in Foreign currency translation reserve	(3,59,40,038.22)	21,96,740.92
Add/less: Amounts recognized in Profit or loss on loss of control over subsidiary	-	-
<b>Closing balance</b>	<b>4,87,61,338.56</b>	<b>8,47,01,376.78</b>
<b>i)Capital Redemption Reserve</b>		
<b>j)Revaluation Reserve</b>		
<b>19(b). Borrowings (Current)</b>		
		In ₹ Actual
	<b>As At March 31, 2025</b>	<b>As At March 31, 2024</b>
<b>Loans repayable on demand</b>		
<b>Secured</b>		
- from Banks		
<b>Unsecured</b>		
- from Banks		
- from others	(0.30)	(0.33)
Interest accrued due on current borrowings	-	8,35,64,069.43
	<b>(0.30)</b>	<b>8,35,64,069.10</b>
<b>Total</b>	<b>(0.30)</b>	<b>8,35,64,069.10</b>
<b>22.Trade payables</b>		
<b>Others</b>		
Other creditors	5,63,08,505.81	12,65,54,361.86
<b>Total</b>	<b>5,63,08,505.81</b>	<b>12,65,54,361.86</b>
<b>23.Other financial liabilities</b>		
<b>Derivatives not designated as hedges</b>		
<b>Derivative instruments designated as hedges</b>		
<b>Others</b>		
Employee benefit expenses payable	77,11,996.45	70,16,964.87
<b>Total</b>	<b>77,11,996.45</b>	<b>70,16,964.87</b>



**Elgi Compressors Do Brasil Imp.E.Exp LTDA**  
**Schedules to the Balance Sheet as at March 31, 2025**

**25. Other current liabilities**

Advances received from customers	5,20,43,552.79	1,54,54,733.61
Statutory payable	-	12,18,451.85
Other liabilities	1,16,460.67	2,92,620.77
<b>Total</b>	<b>5,21,60,013.46</b>	<b>1,69,65,806.23</b>

**26. Income taxes**

In ₹ Actual  
As At March 31, 2025 As At March 31, 2024

**(a) Income tax expense**

**Current tax**

Current tax on profits for the year	5,79,92,458.00	7,65,47,158.42
<b>Total current tax expense</b>	<b>5,79,92,458.00</b>	<b>7,65,47,158.42</b>

**Deferred tax**

Decrease/(increase) in deferred tax assets	2,54,95,254.57	1,30,17,761.63
<b>Total deferred tax expense/ (benefit)</b>	<b>2,54,95,254.57</b>	<b>1,30,17,761.63</b>

**Income tax expense**

	<b>8,34,87,712.57</b>	<b>8,95,64,920.05</b>
--	-----------------------	-----------------------

**(b) Income tax assets/ liabilities**

**(i) Current tax assets (net)**

-

**(ii) Current tax liabilities (net)**

1,18,618.99

**Net current tax asset/ (liability) at the end of the year**

**(1,18,618.99)**

**Movement during the year:**

Opening balance	(58,30,442.85)	26,45,476.32
Add: Income tax paid during the year	6,37,04,281.86	6,80,71,239.25
Less: Current tax payable for the year	(5,79,92,458.00)	(7,65,47,158.42)
Income tax on other comprehensive income	-	-
Less : MAT credit adjusted	-	-
<b>Closing balance</b>	<b>(1,18,618.99)</b>	<b>(58,30,442.85)</b>

**(c) Deferred tax assets / liabilities**

**(i) Deferred tax assets (net)**

-

**(ii) Deferred tax liabilities**

2,84,11,789.26

**Net deferred tax asset/(liability) at the end of the year**

**-**

**Movement during the year**

Net deferred tax asset/(liability) at the beginning of the year	2,84,11,789.26	4,03,22,698.64
Credits/ (Charge) in Profit and loss relating to temporary differences	(2,54,95,254.57)	(1,30,17,761.63)
Credits/ (Charge) in Other comprehensive income on account of timing differences	-	-
Translation differences	(29,16,534.69)	11,06,852.25
<b>Net deferred tax asset/(liability) at the end of the year</b>	<b>-</b>	<b>2,84,11,789.26</b>



**Elgi Compressors Do Brasil Imp.E.Exp LTDA**  
**Schedules to the Profit & Loss Account for the year/period ended March 31, 2025**

<b>27.Revenue from operations</b>	<b>April 01, 2024 to March 31, 2025</b>	<b>In ₹ Actual April 01, 2023 to March 31, 2024</b>
<b>Revenue from contracts with customers</b>		
Sale of products	69,68,19,688.04	70,87,19,919.30
Sale of services	7,15,235.01	13,51,538.28
<b>Total</b>	<b>69,75,34,923.05</b>	<b>71,00,71,457.58</b>
<b>28.Other income</b>		
Interest income- Bank deposits	1,27,657.41	5,996.24
Interest income - Others	11,69,080.54	14,17,076.80
Profit on sale of assets	3,296.82	-
Net gain on foreign currency transaction and translation (other than considered as finance cost)	(1,13,748.55)	(17,521.66)
Miscellaneous income (net)	1,44,089.58	33,35,975.30
<b>Total</b>	<b>13,30,375.80</b>	<b>47,41,526.68</b>
<b>29.Cost of material consumed</b>		
Opening stock of raw materials	-	-
Purchases	34,15,70,309.66	30,65,96,029.26
<b>Total</b>	<b>34,15,70,309.66</b>	<b>30,65,96,029.26</b>
<b>Less:</b>		
Inventory of materials at the end of the year	98,280.89	-
<b>Cost of material consumed</b>	<b>34,14,72,028.77</b>	<b>30,65,96,029.26</b>
<b>*excludes R&amp;D inventory</b>		
<b>31.Changes in inventories of finished goods, work-in-progress and traded goods</b>		
<b>Opening inventory*</b>		
Finished goods	15,94,64,200.71	17,46,45,525.31
Work-in-progress	-	-
Stock-in-trade	-	-
<b>Total</b>	<b>15,94,64,200.71</b>	<b>17,46,45,525.31</b>
<b>Closing inventory*</b>		
Finished goods	16,75,53,979.08	15,94,64,200.71
Work-in-progress	-	-
Stock-in-trade	-	-
<b>Total</b>	<b>16,75,53,979.08</b>	<b>15,94,64,200.71</b>
<b>Net change in inventory</b>	<b>(80,89,778.37)</b>	<b>1,51,81,324.60</b>
<b>*excludes R&amp;D inventory</b>		
<b>32.Employee benefit expenses</b>		
	<b>April 01, 2024 to March 31, 2025</b>	<b>In ₹ Actual April 01, 2023 to March 31, 2024</b>
Salaries, wages and bonus	5,34,02,624.18	5,23,09,705.59
Contribution to Provident fund & Superannuation scheme	1,18,88,823.82	1,15,24,724.05
Staff welfare expenses	88,17,216.70	74,21,986.21
<b>Total</b>	<b>7,41,08,664.70</b>	<b>7,12,56,415.85</b>
<b>33.Finance costs</b>		
Interest expense (other financing arrangements)	3,26,719.55	26,69,710.42
<b>Total</b>	<b>3,26,719.55</b>	<b>26,69,710.42</b>



**Elgi Compressors Do Brasil Imp.E.Exp LTDA**  
**Schedules to the Profit & Loss Account for the year/period ended March 31, 2025**

<b>34. Depreciation and amortisation expense</b>		
Depreciation of property, plant and equipment	7,26,708.64	6,10,130.49
<b>Total</b>	<b>7,26,708.64</b>	<b>6,10,130.49</b>
<b>35. Other expenses</b>		
Consumption of stores	21,30,082.93	1,03,075.10
Commission	29,04,535.02	79,74,535.37
<b>Repairs and maintenance</b>		
-Building	25,21,461.72	24,09,520.12
-Plant and machinery	3,38,379.32	13,82,671.59
-Others	42,676.86	50,562.94
Communication expenses	14,96,561.51	21,79,143.81
Power and fuel	2,21,164.53	2,54,689.63
Transport charges	29,14,204.12	24,49,148.62
Travelling & conveyance	54,57,724.66	47,52,601.14
Insurance	2,22,061.51	2,50,997.30
Advertisement & publicity	27,47,288.92	30,53,848.70
Printing and stationery	3,23,308.37	3,11,052.59
After sales expenses	2,46,16,734.21	1,36,07,704.66
Rates and taxes	7,64,581.78	3,62,112.78
Payment to the auditors	8,59,063.35	10,06,221.00
Rent	50,36,429.82	57,11,416.89
Legal and consultancy charges	1,07,62,959.46	1,40,18,492.20
Bank charges	3,44,602.62	4,58,975.47
Net loss on foreign currency transaction and translation (other than considered as finance cost)	(5,34,616.92)	(11,52,279.85)
Bad debts written off & Provision for doubtful advances and debts	(56,06,506.15)	(30,23,895.35)
Miscellaneous expenses	30,61,295.55	31,80,886.79
<b>Total</b>	<b>6,06,23,993.19</b>	<b>5,93,41,481.50</b>



Elgi Compressores Do Brasil  
Standalone Financial Information  
Notes to Standalone Financial Information as at and for the year ended March 31, 2025

In INR Ones

Particulars	Not due (including retention money)	Outstanding for following periods from the due date of payment#						Less: Allowance for doubtful debts	Total
		Less than 3 months	3 months to 6 months	6 months - 1 year	1 - 2 years	2-3 years	More than 3 years		
<b>11 (a) Trade receivables- Ageing</b>									
<u>As at March 31, 2025</u>									
a) From related parties (Parent & Subsidiaries controlled by the Parent)	2,38,065	-	-	-	-	-	-	2,38,065	
b) Others									
<u>Undisputed Trade Receivables</u>	26,63,77,248	1,55,435	-	-	-	-	-	26,65,32,683	
- considered good	-	-	-	-	-	-	-	-	
- which have significant increase in credit risk	-	-	-	-	-	-	-	-	
- credit impaired	-	-	-	-	-	-	-	-	
<u>Disputed Trade Receivables</u>	-	-	-	-	-	-	-	-	
- considered good	-	-	-	-	-	-	-	-	
- which have significant increase in credit risk	-	-	-	-	-	-	-	-	
- credit impaired	-	-	-	-	-	-	-	-	
	26,66,15,313	1,55,435	-	-	-	-	-	26,67,70,747	
<u>As at March 31, 2024</u>									
a) From related parties (Parent & Subsidiaries controlled by the Parent)	-	-	-	-	-	-	-	-	
b) Others									
<u>Undisputed Trade Receivables</u>	24,89,92,787	8,65,305	-	1,42,080	-	-	-14,28,663	25,02,14,473	
- considered good	-	-	-	-	-	-	-	-	
- which have significant increase in credit risk	-	-	-	-	-	-	-	-	
- credit impaired	-	-	-	-	-	-	-	-	
<u>Disputed Trade Receivables</u>	-	-	-	-	-	-	-	-	
- considered good	-	-	-	-	-	-	-	-	
- which have significant increase in credit risk	-	-	-	-	-	-	-	-	
- credit impaired	-	-	-	-	-	-	-	-	
	24,89,92,787	8,65,305	1,42,080	-	-	16,42,964	-14,28,663	25,02,14,473	

# similar information shall be given where no due date of payment is specified in that case disclosure shall be from the date of the transaction. Unbilled dues shall be disclosed separately;



In INR Ones

22(a) Trade payables- Ageing

Particulars	Not due	Outstanding for following periods from the due date of payment#						Provisions/ Accrual (unbilled)	Total
		Less than 3 months	3months to 6 months	6 months - 1 year	1 -2 years	2-3 years	More than 3 years		
<u>As at March 31, 2025</u>									
Undisputed									
(i) Related parties (Parent & Subsidiaries controlled by the Parent)	3,30,27,526	-	-	-	-	-	-	3,30,27,526	
(ii) Others	32,78,747	8,123	110	-	-	-	1,99,94,000	2,32,80,980	
	<b>3,63,06,272</b>	<b>8,123</b>	<b>110</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,99,94,000</b>	<b>5,63,08,506</b>	
<u>As at March 31, 2024</u>									
Undisputed									
(i) Related parties (Parent & Subsidiaries controlled by the Parent)	10,11,10,522	-	-	-	-	-	-	10,11,10,522	
(ii) Others	58,81,455	15,44,784	-	-	-	-	1,80,17,601	2,54,43,840	
	<b>10,69,91,976</b>	<b>15,44,784</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,80,17,601</b>	<b>12,65,54,362</b>	

# similar information shall be given where no due date of payment is specified in that case disclosure shall be from the date of the transaction. Unbilled dues shall be disclosed separately";



36. Financial risk management

(A) Credit risk

Credit risk arises from credit exposures to customers including outstanding receivables. Credit risk is managed at individual company level.

The entity assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal and external ratings in accordance with the limits set by the Company. The finance function consists of a separate team who assess and maintain an internal credit rating system. The compliance with the credit limits by customers is regularly monitored by the finance function.

(i) Impairment of financial assets

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

Internal rating	Category	Description of category	Basis for recognition of expected credit loss provision
			Trade receivables
C1	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.	Life-time expected credit losses (simplified approach)
C2	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. 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

(ii) Expected credit loss for trade receivables under simplified approach

Ageing	Not due	Overdue by/ past due by					Total
		Less than 3 months	3 to 6 months	6 months to 1 year	1- 2 years	More than 2 years	
<b>As at March 31, 2025</b>							
<b>A) Related Parties</b>							
Gross carrying amount - trade receivables	2,38,065	-	-	-	-	-	2,38,065
Expected loss rate %	0%	0%	0%	0%	0%	0%	
Expected credit losses (Loss allowance provision)	-	-	-	-	-	-	-
<b>B) Others</b>							
Gross carrying amount - trade receivables	26,63,77,248	1,55,435	-	-	-	-	26,65,32,683
Expected loss rate	0%	0%	0%	0%	0%	0%	
Expected credit losses (Loss allowance provision)	-	-	-	-	-	-	-
Loss allowance- Credit impaired	-	-	-	-	-	-	-
<b>Total Loss allowance provision - Others</b>	-	-	-	-	-	-	-
<b>Carrying amount of Trade receivables (net of credit loss allowance)</b>	<b>26,66,15,313</b>	<b>1,55,435</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,67,70,747</b>
<b>As at March 31, 2024</b>							
<b>A) Related Parties</b>							
Gross carrying amount - trade receivables	-	-	-	-	-	-	-
Expected loss rate %	0%	0%	0%	0%	0%	0%	
Expected credit losses (Loss allowance provision)	-	-	-	-	-	-	-
<b>B) Others</b>							
Gross carrying amount - trade receivables	24,89,92,787	8,65,305	-	1,42,080	-	16,42,964	25,16,43,136
Expected loss rate	0%	0%	0%	0%	0%	0%	
Expected credit losses (Loss allowance provision)	-	-	-	-	-	-	-
Loss allowance- Credit Impaired	-	-	-	-	-	-	-
<b>Total Loss allowance provision - Others</b>	-	-	-	-	-	-	-
<b>Carrying amount of Trade receivables (net of credit loss allowance)</b>	<b>24,89,92,787</b>	<b>8,65,305</b>	<b>-</b>	<b>1,42,080</b>	<b>-</b>	<b>16,42,964</b>	<b>25,16,43,136</b>



(i) Reconciliation of loss allowance provision - Trade receivables

Loss allowance on April 01, 2023

Changes in loss allowance:	
Provision/(reversal) for the year	-30,23,895
Utilisation - Bad debt written off	30,23,895
Loss allowance on March 31, 2024	-
Changes in loss allowance:	
Provision/(reversal) for the year	-56,06,506
Utilisation - Bad debt written off	56,06,506
Loss allowance on March 31, 2025	-

(B) Liquidity risk

(i) Financing arrangements - Undrawn borrowing facilities

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Floating rate</b>		
<b>Expiring within one year (bank overdraft and other facilities)</b>		
Total sanction limit	-	-
Less: Outstanding as at reporting date (Note 19(b))	-	-
Undrawn limit	-	-
<b>Expiring beyond one year (bank loans)</b>		
Total sanction limit	-	-
Less: Terms loan drawn	-	-
Undrawn limit	-	-

(ii) Maturities of financial liabilities

Contractual maturities of financial liabilities:

Particulars	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
<b>As at March 31, 2025</b>						
<b>Non-derivatives</b>						
Borrowings-Banks & Others	-	-	-	-	-	-
Borrowings-Related parties	-	-	-	-	-	-
Lease liabilities	-	-	-	-	-	-
Trade payables	5,63,08,396	110	-	-	-	5,63,08,506
Other financial liabilities	77,11,996	-	-	-	-	77,11,996
<b>Total non-derivative liabilities</b>	<b>6,40,20,393</b>	<b>110</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,40,20,502</b>
<b>As at March 31, 2024</b>						
<b>Non-derivatives</b>						
Borrowings-Banks & Others	-	-	-	-	-	-
Borrowings-Related parties	-	-	-	-	-	-
Lease liabilities	-	-	-	-	-	-
Trade payables	12,65,54,362	-	-	-	-	12,65,54,362
Other financial liabilities	70,16,965	-	-	-	-	70,16,965
<b>Total non-derivative liabilities</b>	<b>13,35,71,327</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,35,71,327</b>



(C) Market risk

(i) Currency risk

As at March 31, 2025

Particulars	Exposure in functional currency	Exposure in currency other than functional currency			
		USD	EUR	AUD	BRL
<b>Financial assets</b>					
Investments	-	-	-	-	-
Trade receivables	-	-	-	-	-
Loans (including accrued interest)	-	-	-	-	-
Cash and cash equivalents	-	-	-	-	-
Other bank balances	-	-	-	-	-
<b>Net exposure to currency risk (assets)</b>	-	-	-	-	-
<b>Financial liabilities</b>					
Bank Loan	-	-	-	-	-
Trade payables	-	-	-	-	-
<b>Net exposure to currency risk (liabilities)</b>	-	-	-	-	-

As at March 31, 2024

Particulars	Exposure in functional currency	Exposure in currency other than functional currency			
		USD	EUR	AUD	BRL
<b>Financial assets</b>					
Investments	-	-	-	-	-
Trade receivables	-	-	-	-	-
Loans (including accrued interest)	-	-	-	-	-
Cash and cash equivalents	-	-	-	-	-
Other bank balances	-	-	-	-	-
<b>Net exposure to currency risk (assets)</b>	-	-	-	-	-
<b>Financial liabilities</b>					
Bank Loan	-	-	-	-	-
Trade payables	-	-	-	-	-
<b>Net exposure to currency risk (liabilities)</b>	-	-	-	-	-

(ii) Cash flow and Fair value interest rate risk

At the end of the reporting period the Company has following variable rate long term borrowings outstanding,

Particulars	As at March 31, 2025		As at March 31, 2024	
	Weighted average interest rate	Amount	Weighted average interest rate	Amount
Term Loan				
- USD		-		-
- EUR		-		-
- AUD		-		-

The analysis for maturities of borrowings is provided in the note no 36 B(ii) above.

Sensitivity

Profit or loss is sensitive to higher/lower interest expenses from borrowings as the result of change in interest rate.

Particulars	Impact on Profit after tax		Impact on other components of equity	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Interest rate increase by 50 basis points*	-	-	-	-
Interest rate decrease by 50 basis points*	-	-	-	-

\*Holding all other variables constant

Impact of Hedging activities

a) Disclosure of effects of hedge accounting of Interest rate swap on financial position:

Particulars	As at March 31, 2025	As at March 31, 2024
Type of hedge & risk	Cash Flow Hedge -Interest rate risk	Cash Flow Hedge -Interest rate risk
Nominal Value		
-Assets	-	-
-Liabilities	-	-
Carrying amount of hedging Instrument		
-Assets	-	-
-Liabilities	-	-
Maturity Date		
Hedge ratio		
Rate		
Change in fair value of hedged item (net of tax)	-	-
Change in value of hedging instrument used as basis for recognizing hedge ineffectiveness	-	-



**Hedge effectiveness:**

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

The group enters into interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The group does not hedge 100% of its loans; therefore, the hedged item is identified as a proportion of the outstanding loans up to the notional amount of the swaps. As all critical terms matched during the year, there is economic relationship.

Hedge Ineffectiveness for interest rate swaps may occur due to:

- the credit value/debit value adjustment on the interest rate swaps which is not matched by the loan, and
- differences in critical terms between the interest rate swaps and loans.

Refer table below in relation to disclosures of effect of hedge accounting on financial performance.

**(b) Disclosure of effect of hedge accounting on financial performance:**

Interest rate swap	As at March 31, 2025	As at March 31, 2024
<i>Cash flow hedging reserve</i>		
Opening balance	-	-
Add: Changes in fair value of interest rate swaps	-	-
Less: Amounts of loss reclassified to profit or loss	-	-
Less: Deferred tax asset relating to above (net)	-	-
Closing balance	-	-



Elgi Compressores Do Brasil  
 Standalone Financial Information  
 Notes to Standalone Financial Information as at and for the year ended March 31, 2025

38. Interests in other entities

(a) Subsidiaries

The group's subsidiaries are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business	Ownership Interest held by the group		Principal Activities
		31-Mar-25 %	31-Mar-24 %	

(b) Joint Venture

Set out below are the associates and joint ventures of the group as at March 31, 2025:

Name of entity	Place of business	Proportion of the ownership interest	Relationship	Carrying value	
				31-Mar-25	31-Mar-24
				-	-
				-	-
				-	-
				-	-

(i) Commitments and contingent liabilities in respect of joint ventures

Particulars	31-Mar-25	31-Mar-24
Commitments - joint ventures		
Capital commitments	-	-
Contingent liabilities - joint ventures		
Share of joint ventures contingent liabilities in respect of legal matters against the entity and guarantees	-	-

(ii) Summarised financial information for material joint ventures

The tables below provide summarised financial information for the joint ventures that are material to the group. The information disclosed reflects the amounts presented in the financial statements of the joint ventures and not the group's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments made at the time of acquisition and modifications for differences in accounting policies.

Summarised balance sheet	JV1		JV2		>>>
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24	
Current assets					
Cash and cash equivalents					
Other assets					
<b>Total current assets</b>					
Total non-current assets *					
Current liabilities					
Financial liabilities (excluding trade payables)					
Other liabilities					
<b>Total current liabilities</b>					
Non-current liabilities					
Employee benefit obligations & Others					
<b>Total non-current liabilities</b>					
<b>Net assets</b>					



Reconciliation to carrying amounts	JV1		JV2	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Share Capital-Opening				
Capital Investments				
Share Capital- Closing [A]	-	-	-	-
Share Capital- Class B Interest* [B]	-	-	-	-
Other Equity-Opening				
Profit for the year				
Other comprehensive income**				
Interest on capital				
Dividends paid including dividend distribution tax and Partners Drawings				
Translation difference				
Other Equity- Closing [C]				
Closing net assets [A+B+C]				
Group's share in % [D]				
Group's share in Share Capital in INR millions (including Class B interest) [A*D+B]				
Group's share in Other Equity in INR millions [C*D]				
Unrealised profit in stock				
Carrying amount				



Elgi Compressores Do Brasil  
 Standalone Financial Information  
 Notes to Standalone Financial Information as at and for the year ended March 31, 2025

39. Related party transactions

(a) Particulars of transactions with related parties

In INR Ones

Transactions during the year	Ultimate Holding Company / Holding Company		Companies under common control		Joint Ventures & Others	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
<u>Purchase of goods (net of returns)</u>						
Elgi Equipments Ltd	23,47,61,377	14,92,71,516				
Rotair SPA	61,12,436					
<u>Sale of goods</u>						
Elgi Equipments Ltd	26,74,631					
<u>Services received</u>						
<u>Loans given</u>						
<u>Repayment received from loans given</u>						
<u>Interest income on loans given to</u>						
<u>Interest expense on loans taken from</u>						
<u>Financial Guarantee Commission paid</u>						
<u>Warranty claims from</u>						
Elgi Equipments Ltd	4,31,561	15,44,839				
<u>Investments made in JV's accounted for using the equity method during the year</u>						

Description	Ultimate Holding Company /		Companies under		Joint Ventures &	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Balances at year end						
<u>Receivable at the end of the year</u>						
Elgi Equipments Ltd	2,38,065					
<u>Payable at the end of the year</u>						
Elgi Equipments Ltd	3,30,27,526	10,09,35,358				
Rotair SPA		1,75,164				
<u>Loans given to (including interest accrued)</u>						
<u>Loan payable</u>						
<u>Interest accrued and due to</u>						
<u>Investments accounted for using the equity method</u>						





Inter- Co transactions and balances in the books of 'Elgi Compressors Do Brasil Imp. E. Exp LTDA' as at and for the nine months ended December 31, 2025

From Entity - To Entity	Entity 1	Entity 2	BS/PL	Elimination Type	Account Code	Account Name	Trading DR Amount	Trading CR Amount	Trading Curr	Schedule Name	Group Name
ELGI-BRAZIL	ELGI	BRAZIL	BS	Debtors-Creditors	2060202	Elgi -Trade		5,51,191	BRL	22.Trade payables	Other creditors(IP)
ELGI-BRAZIL	ELGI	BRAZIL	BS	Debtors-Creditors	2060203	Provision GI		16,88,308	BRL	22.Trade payables	Other creditors(IP)
Rotair-BRAZIL	Rotair	BRAZIL	BS	Debtors-Creditors	2060202	Rotair -Trade		-	BRL	22.Trade payables	Other creditors(IP)
Rotair-BRAZIL	Rotair	BRAZIL	BS	Debtors-Creditors	2060203	Provision GI		-	BRL	22.Trade payables	Other creditors(IP)
ELGI-BRAZIL	ELGI	BRAZIL	BS	Debtors-Creditors	2060202	Elgi -Non Trade (Warranty Notes)	8,407		BRL	22.Trade payables	Other creditors(IP)
ELGI-BRAZIL	ELGI	BRAZIL	BS	Creditors-Debtors	1100302	Elgi -Trade Receivable	16,082		BRL	11.Trade receivables	Unsecured, considered good
USA-BRAZIL	USA	BRAZIL	BS	Loans-Borrowings	2010102	Loan from USA		-	BRL	19(b). Borrowings (Current)	- from others (Unsecured Loans)
USA-BRAZIL	USA	BRAZIL	BS	Loans-Borrowings	2050501	Interest Accrual to USA		-	BRL	19(b). Borrowings (Current)	Interest accrued due on current borrowings (Unsecured-Inter-Corporate)
ELGI-BRAZIL	ELGI	BRAZIL	PL	Income-Expense	5010113	COGS/Purchase from HO	1,57,27,043		BRL	29.Cost of material consumed	Purchases(Tb Mapping)
Rotair-BRAZIL	Rotair	BRAZIL	PL	Income-Expense	5010113	COGS/Purchase from other related party	4,09,482		BRL	29.Cost of material consumed	Purchases(Tb Mapping)
ELGI-BRAZIL	ELGI	BRAZIL	PL	Income-Expense	4010113	Sales to HO		1,79,178	BRL	27 Revenue from operations	Sale of products(Tb Mapping)
USA-BRAZIL	USA	BRAZIL	PL	Income-Expense	6020201	Interest for the period to USA			BRL	33.Finance costs	Interest expense (other financing arrangements)
ELGI-BRAZIL	ELGI	BRAZIL	PL	Income-Expense	603508	Elgi -Non Trade (Warranty Notes)		28,911	BRL	35.Other expenses	After sales expenses
							1,61,61,014	24,47,586			



**Elgi Compressores Do Brasil**  
**Standalone Financial Information**

**Notes to Standalone Financial Information as at and for the year ended March 31, 2025**

**39 Commitments**

**(a) Capital commitments**

Particulars	As at March 31, 2025	As at March 31, 2024
Estimated amount of contracts remaining to be executed on capital account	-	-

**(b) Others**

<<Mention, if any>>

**40 Events occurring after the reporting period**

The Company evaluated all events and transactions through May 26, 2025, the date these financial statements were issued. During this period, there were no material recognizable or non recognizable subsequent events.

**41 Assets Pledged as security**

Particulars	As at March 31, 2025	As at March 31, 2024
a. Charge on Assets	-	-
b. Charge on Property, Plant & equipment	-	-
c. Cash Margin	-	-
d. Others	-	-
	<hr/>	<hr/>
	-	-

**(i) Borrowing secured against current assets**

The group has working capital limits from banks and financial institutions received on the basis of the security of current assets. The quarterly returns or statements of current assets filed by the group with banks and financial institutions are in agreement with the books of accounts

**(ii) Utilisation of borrowed funds and share premium**

The group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) Directly or indirectly lend or invest in other persons or entity(ies) identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or of the ultimate beneficiaries

The group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

