

29-06-2020

To
The Manager
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/I,
G Block, Bandra-Kurla Complex, Bandra-East,
Mumbai- 400 051

Scrip Code: 522074

Symbol: ELGIEQUIP

Dear Sir,

Sub: Intimation of the outcome of the Board Meeting held on 29th June, 2020 and Disclosure under SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

We refer to our Letter dated 19/06/2020, intimating you of the convening of the meeting of the Board of Directors of our Company. In this regard, we wish to inform that the Board of Directors of our Company met today and approved the following;

1. Audited Financial Result for the quarter and year ended 31/03/2020:

The Audited Financial Results for the year ended 31/03/2020 in the format prescribed under Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements)

Regulation, 2015 and pursuant to SEBI Circular No. CIR/CFD/FAC/62/2016 dated 05th July, 2016. In this connection, we enclose the following:

- a) Standalone Financial Results for the quarter and year ended 31/03/2020
- b) Standalone Audited Balance Sheet as at 31/03/2020
- c) Consolidated Financial Results for the quarter and year ended 31/03/2020
- d) Consolidated Audited Balance Sheet as at 31/03/2020
- e) Segment Report
- f) Audit Reports of M/ s. Price Waterhouse Chartered Accountants LLP, Chartered Accountants, Statutory Auditors on the Standalone and Consolidated Financial Results for the year ended 31/03/2020.
- g) Press Release being made in this connection.

In accordance with the SEBI Circular No. SEBI/HO/CFD/CMDI/CIR/P/2020/48 dated March 26, 2020 and SEBI/HO/CFD/CMDI/CIR/P/2020/79 dated May 12, 2020 granting relaxation from the compliance of Regulation 47 of the Listing Regulations, the Extracts of the said results would not be published in the newspapers. However the aforesaid Audited Financial Results are available on the Company's website www.elgi.com as well on the website of the stock exchanges.

As required under SEBI Circular CIR/CFD/CMD/56/2016 dated 27th May, 2016, we declare that the Statutory Auditors of the Company, M/s. Price Waterhouse Chartered Accountants LLP, Chartered Accountants, have in their report issued an unmodified opinion on the Standalone and Consolidated Financial Results of the Company for the Financial Year ended 31st March, 2020.

2. Intimation under Regulation 33(3)(b)(i):

As required under Regulation 33(3)(b)(i) of the Listing Regulations, we wish to intimate the decision of the Board opting to additionally submit the quarter/year to date consolidated financial results of the Company during the financial year 2020-21.

3. Annual General Meeting and Book Closure dates:

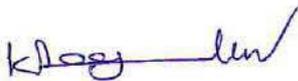
The 60th Annual General Meeting of the Shareholders of the Company is scheduled to be held on Friday, 14th August, 2020 and the Register of Members will be closed from 08/08/2020 to 14/08/2020 (both days inclusive) for Annual General Meeting for the year 2019-20.

Kindly take the above information on record.

Thanking you,

Yours faithfully,

For **Elgi Equipments Limited**



Ragunathan K
Company Secretary

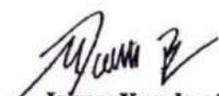
Statement of Standalone Annual Financial Results for the quarter and year ended March 31, 2020

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

S. No.	Particulars	Quarter ended			Year ended	
		March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
		Audited (Refer note 8)	(Unaudited)	Audited (Refer note 8)	(Audited)	(Audited)
1	Income					
	(a) Revenue from operations	2,492.90	2,828.78	3,378.86	10,811.44	11,770.79
	(b) Other income	306.11	62.81	24.44	494.31	163.11
	Total income	2,799.01	2,891.59	3,403.30	11,305.75	11,933.90
2	Expenses					
	(a) Cost of materials consumed	1,333.84	1,381.31	1,621.88	5,363.64	5,668.96
	(b) Purchases of stock-in-trade	279.92	254.16	358.11	1,067.47	1,218.29
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(209.36)	16.19	38.70	(190.43)	27.84
	(d) Employee benefits expense	365.69	424.84	398.27	1,631.32	1,564.34
	(e) Finance costs	10.97	13.24	5.76	43.08	23.71
	(h) Depreciation and amortisation expense	94.37	93.72	86.30	366.52	338.47
	(g) Other expenses	406.29	448.18	514.24	1,746.22	1,886.29
	Total expenses	2,281.72	2,631.64	3,023.26	10,027.82	10,727.90
3	Profit before tax (1 - 2)	517.29	259.95	380.04	1,277.93	1,206.00
4	Tax expense:					
	Current tax	119.89	71.88	105.35	326.71	378.65
	Deferred tax	(22.73)	(9.68)	6.87	(53.02)	(20.09)
5	Net Profit for the period (3 - 4)	420.13	197.75	267.82	1,004.24	847.44
6	Other comprehensive income, net of income tax					
	A. Items that will not be reclassified to profit or loss	(10.49)	1.42	0.20	(26.06)	(10.78)
	B. Items that will be reclassified to profit or loss	-	-	-	-	-
	Total other comprehensive income, net of income tax	(10.49)	1.42	0.20	(26.06)	(10.78)
7	Total comprehensive income for the period (5+6)	409.64	199.17	268.02	978.18	836.66
8	Paid-up equity share capital (Face value Re. 1/- each)	158.34	158.34	158.34	158.34	158.34
9	Earnings per share (of Re. 1/- each) (not annualised):					
	(a) Basic	2.65	1.25	1.69	6.34	5.35
	(b) Diluted	2.65	1.25	1.69	6.34	5.35
10	Reserves excluding Revaluation reserve				6,941.74	6,460.77

For and on behalf of the Board of Directors

Place: Coimbatore
Date: June 29, 2020


Jaram Varadaraj
Managing Director

B.P.

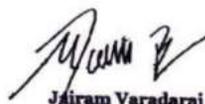
Notes:

1	The above standalone financial results were reviewed by the Audit Committee and approved by the Board of Directors of Elgi Equipments Limited ("the Company") at their meeting held on June 29, 2020. The statutory auditors of the Company have audited the standalone annual financial results for the year ended March 31, 2020.
2	This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
3	<p>The spread of COVID-19 has severely impacted businesses around the globe. In many countries, including India, there has been severe disruptions to regular business operations due to lock-downs, disruption in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. The Company is in the business of manufacturing and selling a range of air compressors and its related parts to its customers having industrial applications in segment of food & beverages, oil & gas, manufacturing, medical, mining & construction and power generation business. The segments which are engaged in manufacturing and supply of products/services which are identified as essentials are not/less impacted compared to other segments. The Company is trying to ensure the continuity of supplies and support to these customers while the lock down is being slowly lifted across the country.</p> <p>However, the uncertainty caused by the current situation has resulted in delays in the confirmation of customer orders and in executing the orders in hand and increase in lead times in sourcing components. The situation is likely to continue for next two quarters based on the current assessment. With lockdown restrictions easing out in phases, the Company is now seeing a slow improvement in inflows of customer orders and the pace of recovery is being closely monitored.</p> <p>The company is actively monitoring the sales performance across its geographies and taking necessary actions to contain costs to reduce the impact of revenue compression from COVID-19. While the profitability for the first quarter of 2020-21 would be impacted due to this, the exact profitability would be measured and reported as part of the quarterly results to be declared by the company for the first quarter.</p> <p>Since the Company's customers and dealers delayed their payments, the Company in turn actively negotiated for credit period extension from its suppliers. The Company has made detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets comprising Property, plant and equipment, Intangible assets, Trade receivables, Inventory and Investments as at the balance sheet date and has concluded that there are no material adjustments required in the standalone financials results. Regarding Inventory, the management has performed the year-end inventory verification in the presence of the internal auditor subsequently in May and June 2020 and performed rollback procedures to obtain comfort over the existence and condition of inventories as at March 31, 2020.</p> <p>The Company has also evaluated the internal controls including internal controls with reference to financial statements. All the controls are operating effectively and the Company has not diluted any controls.</p> <p>The Management believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic in the preparation of standalone financial statements. However, the impact assessment of COVID-19 is a continuous process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to the future economic conditions. The Company expects to get back to its pre-lockdown level of operations gradually over a period of time.</p> <p>The Statutory auditors have drawn attention to the above matter in their auditor's report.</p>
4	The Company has adopted Ind AS 116 "Leases" with effect from April 1, 2019 using modified retrospective approach. The adoption of the new standard did not have any material impact on the profits of the Company.
5	The business activities reflected in the above financial results comprise of manufacturing and sale of compressors. Accordingly, there is no other reportable segment as per Ind AS 108 Operating Segments.
6	During the quarter, the Company has paid Interim Dividend of Rs. 1.65 per share representing 165% of the face value per equity share.
7	The Shareholders of the Company have approved the Elgi Equipments Limited Employee Stock Option Plan 2019 (Elgi ESOP 2019). The plan provides for reservation of options not exceeding 1,584,545 to be granted to eligible employees of the Company and its subsidiaries, subject to fulfilment of eligibility criteria. The plan shall be administered through a trust via acquisition of shares from the secondary market. During the quarter ended March 31, 2020, the Board has approved the grant of 1,60,600 stock options.
8	The figures for the current quarter and the quarter ended March 31, 2019 are the balancing figures between audited figures of the full financial year ended March 31, 2020 and March 31, 2019, respectively and published year to date figure upto third quarter ended December 31, 2019 and December 31, 2018 respectively.
9	Figures for the comparative periods have been regrouped wherever necessary in conformity with present classification.

For and on behalf of the Board of Directors

Place: Coimbatore
Date: June 29, 2020




Jairam Varadaraj
Managing Director

ELGI EQUIPMENTS LIMITED

Trichu Road, Sinoanallur, Coimbatore - 641005 Tamil Nadu, India

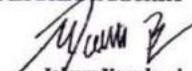
Standalone Statement of Assets and Liabilities as at March 31, 2020

(Rs. in Millions)

Particulars	As at	
	March 31, 2020	March 31, 2019
	(Audited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	2,189.93	2,098.16
Right of use assets	39.14	-
Capital work-in-progress	35.99	51.42
Investment properties	55.49	55.98
Goodwill	1.23	-
Other intangible assets	52.98	42.38
Intangible assets under development	-	5.75
Financial assets		
(i) Investments	1,735.78	1,746.06
(ii) Loans	603.68	63.77
(iii) Other financial assets	60.28	49.58
Current tax assets (Net)	34.32	20.14
Deferred tax assets (Net)	18.63	-
Other non-current assets	51.45	103.97
Total non-current assets	4,878.90	4,237.21
Current Assets		
Inventories	1,302.01	1,120.63
Financial assets		
(i) Trade receivables	2,558.93	2,858.42
(ii) Cash and cash equivalents	161.50	137.41
(iii) Bank balances other than (ii) above	284.25	385.26
(iv) Loans	152.11	160.93
(v) Other financial assets	332.89	29.18
Other current assets	342.51	351.75
Total current assets	5,134.20	5,043.58
Total assets	10,013.10	9,280.79
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	158.45	158.45
Other equity	6,941.74	6,460.77
Total equity	7,100.19	6,619.22
LIABILITIES		
Non-current liabilities		
Financial liabilities		
(i) Lease liabilities	34.20	-
Provisions	58.84	34.25
Deferred tax liabilities (Net)	-	34.39
Total non-current liabilities	93.04	68.64
Current liabilities		
Financial liabilities		
(i) Borrowings	975.00	423.76
(ii) Lease liabilities	6.66	-
(iii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	271.48	397.14
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,020.95	1,244.22
(iv) Other financial liabilities	313.70	324.38
Provisions	108.56	101.58
Other current liabilities	123.52	101.85
Total current liabilities	2,819.87	2,592.93
Total liabilities	2,912.91	2,661.57
Total equity and liabilities	10,013.10	9,280.79

For and on behalf of the Board of Directors

 Place: Coimbatore
 Date: June 29, 2020



Jai Ram Varadaraj
 Managing Director

Standalone Statement of Cash Flows

(Rs. in Millions)

Particulars	Year ended	
	March 31, 2020	March 31, 2019
Cash flow from operating activities		
Profit before tax	1,277.93	1,206.00
Adjustments for :		
Depreciation and amortisation expense	366.52	338.47
Provision for bad and doubtful debts	35.94	27.44
(Gain)/Loss on disposal of property, plant and equipment	(0.84)	(3.49)
Rental income from Investment property (net of expenses)	(12.39)	(11.49)
Amortisation of government grants	-	-
Dividend and interest income classified as investing cash flows	(392.45)	(110.20)
Net unrealised exchange differences	(30.92)	17.68
Finance costs	43.08	23.71
Non-cash employee share based payments	0.13	-
Impairment of investments	-	35.62
Change in operating assets and liabilities		
(Increase)/decrease in trade receivables	323.20	(387.90)
(Increase)/decrease in inventories	(174.06)	64.89
Increase/(decrease) in trade payables	(355.37)	237.92
Increase in other financial assets	(8.26)	(2.31)
(Increase)/decrease in other current assets	9.24	(11.89)
Increase in provisions	31.54	4.32
Increase/(decrease) in other financial liabilities	(64.51)	39.27
Increase/(decrease) in other current liabilities	21.67	(7.10)
Cash generated from operations	1,070.45	1,460.94
Income taxes paid	(340.88)	(388.25)
Net cash inflow from operating activities	729.57	1,072.69
Cash flows from investing activities		
Payments for property, plant and equipment and intangible assets	(356.44)	(387.40)
Payments for acquisition of business/assets	(34.50)	-
Investments in subsidiaries and joint ventures	(15.76)	(238.95)
Investment in deposits with Banks/Financial institutions	(198.99)	(20.08)
Rental income from Investment property (net of expenses)	12.39	11.49
Loans to subsidiaries	(511.54)	-
Loans (given to)/recovered from employees	5.72	(18.70)
Proceeds from sale of property, plant and equipment	3.05	3.54
Dividends received	340.86	70.04
Interest received	45.44	52.65
Net cash outflow from investing activities	(709.77)	(527.41)
Cash flows from financing activities		
Net Short term Loans borrowed from /(repayment to) banks	546.18	(414.65)
Payment of lease liabilities	(6.42)	-
Dividends paid to company's shareholders	(464.57)	(188.70)
Interest paid	(40.58)	(23.71)
Dividend tax paid	(30.32)	(27.06)
Net cash inflow /(outflow) from financing activities	4.29	(654.12)
Net increase/(decrease) in cash and cash equivalents	24.09	(108.84)
Cash and cash equivalents at the beginning of the financial year	137.41	246.25
Cash and cash equivalents at end of the year*	161.50	137.41

* includes restricted cash and cash equivalents in relation to balance in unclaimed dividend account.

 Place: Coimbatore
 Date: June 29, 2020

For and on behalf of the Board of Directors

Jayram Varadraj
 Managing Director

Statement of Consolidated Annual Financial Results for the quarter and year ended March 31, 2020

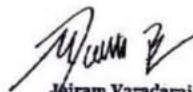
(Rs. in Millions, except share and per equity share data)

S. No.	Particulars	Quarter ended			Year ended	
		March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
		Audited (Refer note 8)	(Unaudited)	Audited (Refer note 8)	(Audited)	(Audited)
1	Income					
	(a) Revenue from operations	4,547.06	4,633.02	5,280.31	18,293.92	18,634.69
	(b) Other income	7.21	76.52	32.82	132.14	96.55
	Total income	4,554.27	4,709.54	5,313.13	18,426.06	18,731.24
2	Expenses					
	(a) Cost of materials consumed	1,854.45	1,810.71	2,320.00	7,571.66	7,820.73
	(b) Purchases of stock-in-trade	467.25	639.92	564.95	2,531.23	2,464.15
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	153.80	12.19	92.29	(296.57)	26.27
	(e) Employee benefits expense	1,020.63	1,052.22	908.12	4,045.64	3,408.30
	(f) Finance costs	41.08	38.87	19.48	155.47	89.85
	(g) Depreciation and amortisation expense	175.11	168.98	142.66	652.32	511.07
	(h) Other expenses	780.52	795.18	779.83	3,083.10	2,997.70
	Total expenses	4,492.84	4,518.07	4,827.33	17,742.85	17,318.07
3	Profit before share of profit/(loss) of joint ventures and tax (1 - 2)	61.43	191.47	485.80	683.21	1,413.17
4	Share of Profit/(loss) of joint venture	(0.87)	5.93	(3.40)	12.40	21.87
5	Profit before tax (3+4)	60.56	197.40	482.40	695.61	1,435.04
6	Tax expense:					
	Current tax	97.16	90.38	154.58	378.94	480.82
	Deferred tax	(47.11)	(21.56)	(28.64)	(109.00)	(76.43)
7	Net Profit for the period (5 - 6)	10.51	128.58	356.46	425.67	1,030.65
8	Other comprehensive income, net of income tax					
	A. Items that will not be reclassified to profit or loss	(7.70)	1.42	0.01	(23.27)	(9.93)
	B. Items that will be reclassified to profit or loss	86.03	26.92	(45.81)	133.14	20.11
	Total other comprehensive income, net of income tax	78.33	28.34	(45.80)	109.87	10.18
9	Total comprehensive income for the period (7 + 8)	88.84	156.92	310.66	535.54	1,040.83
	Net Profit attributable to:					
	- Owners	10.51	128.58	356.46	425.67	1,030.65
	- Non-controlling interests	-	-	-	-	-
	Total comprehensive income attributable to:					
	- Owners	88.84	156.92	310.66	535.54	1,040.83
	- Non-controlling interests	-	-	-	-	-
10	Paid-up equity share capital (Face value Re. 1/- each)	158.34	158.34	158.34	158.34	158.34
11	Earnings per share (of Re. 1/- each) (not annualised):					
	(a) Basic	0.07	0.81	2.25	2.69	6.51
	(b) Diluted	0.07	0.81	2.25	2.69	6.51
12	Reserves excluding Revaluation reserve				7,531.48	7,550.65

For and on behalf of the Board of Directors

Place: Coimbatore
Date: June 29, 2020



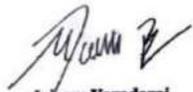

Jairam Varadaraj
Managing Director

Notes:

1	The above consolidated financial results were reviewed by the Audit Committee and approved by the Board of Directors of Elgi Equipments Limited ("the Company") at their meeting held on June 29, 2020. The statutory auditors of the Company have audited the Consolidated annual financial results for the year ended March 31, 2020.
2	This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
3	<p>The spread of COVID-19 has severely impacted businesses around the globe. In many countries, including India, there has been severe disruptions to regular business operations due to lock-downs, disruption in transportation, supply chain, travel bans, quarantines, social distancing and other emergency measures. The Company, its subsidiaries and jointly controlled entities is in the business of manufacturing and selling a range of air compressors, automotive equipments and its related parts to its customers having industrial applications in segment of food & beverages, oil & gas, manufacturing, medical, mining & construction, automotive and power generation business. The segments which are engaged in manufacturing and supply of products/services which are identified as essentials are not/less impacted compared to other segments. The Company, its subsidiaries and jointly controlled entities are trying to ensure the continuity of supplies and support to these customers while the lock down is being slowly lifted across the country.</p> <p>However, the uncertainty caused by the current situation has resulted in delays in the confirmation of customer orders and in executing the orders in hand and increase in lead times in sourcing components. The situation is likely to continue for next two quarters based on the current assessment. With lockdown restrictions easing out in phases, the Company, its subsidiaries and jointly controlled entities are now seeing a slow improvement in inflows of customer orders and the pace of recovery is being closely monitored.</p> <p>The Company, its subsidiaries and jointly controlled entities are actively monitoring the sales performance across its geographies and taking necessary actions to contain costs to reduce the impact of revenue compression from COVID-19. While the profitability for the first quarter of 2020-21 would be impacted due to this, the exact profitability would be measured and reported as part of the quarterly results to be declared by the company for the first quarter.</p> <p>Since the dealers and customers of Company, its subsidiaries and jointly controlled entities have delayed their payments, the Company, its subsidiaries and jointly controlled entities in turn actively negotiated for credit period extension from their suppliers. The Company, its subsidiaries and jointly controlled entities have made detailed assessment of their liquidity position for next one year and of the recoverability and carrying values of the assets comprising of Property, plant and equipment, Intangible assets, Trade receivables, Inventory and Investments as at the balance sheet date and have concluded that there are no material adjustments required in the consolidated financial results. Regarding Inventory, the Holding Company's management has performed the year-end inventory verification in the presence of the internal auditor subsequently in May and June 2020 and performed rollback procedures to obtain comfort over the existence and condition of inventories as at March 31, 2020.</p> <p>The Company, its subsidiaries and jointly controlled entities have also evaluated the internal controls including internal controls with reference to financial statements. All the controls are operating effectively and the Company has not diluted any controls.</p> <p>The Management believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic in the preparation of consolidated financial statements. However, the impact assessment of COVID-19 is a continuous process given the uncertainties associated with its nature and duration. The Company, its subsidiaries and jointly controlled will continue to monitor any material changes to the future economic conditions. The Company, its subsidiaries and jointly controlled entities expect to get back to their pre-lockdown level of operations gradually over a period of time.</p> <p>The Statutory auditors have drawn attention to the above matter in their auditor's report.</p>
4	The Group has adopted Ind AS 116 "Leases" with effect from April 1, 2019 using the modified retrospective approach. The adoption of the new standard did not have any material impact on the profits of the Group.
5	The Group has organised the businesses into two categories viz., Air Compressors and Automotive Equipments. This reporting complies with the Ind AS segment reporting principles. Refer Annexure I attached herewith.
6	<p>The above statements includes the results of the following entities:</p> <p>Subsidiaries</p> <ol style="list-style-type: none"> 1. Adisons Precision Instruments Manufacturing Company Limited 2. ATS Elgi Limited 3. Elgi Equipments (Zhejiang) Limited 4. Elgi Gulf FZE 5. Elgi Compressors Do Brasil Imp.E.Exp LTDA 6. Elgi Equipments Australia Pty Limited 7. Elgi Compressors Italy S.R.L (formerly known as Elgi Compressors Europe S.R.L) 8. Rotair SPA 9. Elgi Compressors USA Inc. 10. Patton's Inc. 11. Patton's Medical LLC. 12. PT Elgi Equipments Indonesia 13. Ergo Design Private Limited 14. Industrial Air Compressors Pty Ltd 15. F.R. Pulford & Son Pty Limited 16. Advanced Air Compressors Pty Ltd 17. Elgi Compressors Europe S.R.L (formerly known as Elgi Compressors Belgium SPRL) 18. Elgi Gulf Mechanical and Engineering Equipment Trading LLC 19. Michigan Air Solutions LLC. 20. Elgi Compressors Iberia S.L. <p><i>(Continued to next page)</i></p>

6	<i>(Continued from previous page)</i> Joint ventures 1. Elgi Sauer Compressors Limited 2. Industrial Air Solutions LLP 3. Evergreen Compressed Air and Vacuum LLC (jointly controlled entity of Elgi Compressors USA Inc.) Joint operations 1. L.G. Balakrishnan & Bros. 2. Elgi Services
7	During the quarter, the Company has paid Interim Dividend of Rs. 1.65 per share representing 165% of the face value per equity share.
8	The figures for the current quarter and the quarter ended March 31, 2019 are the balancing figures between audited figures of the full financial year ended March 31, 2020 and March 31, 2019, respectively and published year to date figure upto third quarter ended December 31, 2019 and December 31, 2018 respectively.
9	The Shareholders of the Company have approved the Elgi Equipments Limited Employee Stock Option Plan 2019 (Elgi ESOP 2019). The plan provides for reservation of options not exceeding 1,584,545 to be granted to eligible employees of the Company and its subsidiaries, subject to fulfilment of eligibility criteria. The plan shall be administered through a trust via acquisition of shares from the secondary market. During the quarter ended March 31, 2020, the Board has approved the grant of 1,60,600 stock options.
10	Figures for the comparative periods have been regrouped wherever necessary in conformity with present classification.

For and on behalf of the Board of Directors



Jai Ram Varadaraj
Managing Director

Place: Coimbatore
Date: June 29, 2020



Consolidated Statement of Assets & Liabilities as at March 31, 2020

(Rs. in Millions)

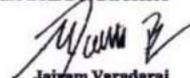
Particulars	As at	
	March 31, 2020	March 31, 2019
	(Audited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	3,025.24	2,988.69
Right of use assets	422.32	-
Capital work-in-progress	37.21	51.42
Investment properties	166.78	166.84
Goodwill	1,855.26	1,528.84
Other intangible assets	532.08	357.78
Intangible assets under development	-	5.75
Investments accounted for using the equity method	75.41	68.35
Financial assets		
(i) Investments	48.94	74.98
(ii) Loans	74.97	66.06
(iii) Other financial assets	79.06	65.39
Deferred tax assets (Net)	160.61	105.08
Current tax assets (Net)	52.96	27.98
Other non-current assets	51.45	103.97
Total non-current assets	6,582.29	5,611.13
Current Assets		
Inventories	3,434.30	2,786.63
Financial assets		
(i) Trade receivables	3,467.62	3,669.11
(ii) Cash and cash equivalents	455.10	702.38
(iii) Bank balances other than (ii) above	402.05	399.28
(iv) Loans	69.43	72.93
(v) Other financial assets	631.36	166.34
Other current assets	508.51	446.86
Total current assets	8,968.37	8,243.53
Total assets	15,550.66	13,854.66

EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	158.45	158.45
Other equity	7,531.48	7,550.65
Total equity	7,689.93	7,709.10
LIABILITIES		
Non-current liabilities		
Financial liabilities		
(i) Long term borrowings	1,027.23	763.46
(ii) Lease liabilities	333.94	-
(iii) Other financial liabilities	36.97	-
Provisions	120.14	69.21
Deferred tax liabilities (Net)	39.76	103.85
Total non-current liabilities	1,558.04	936.52
Current liabilities		
Financial liabilities		
(i) Borrowings	2,871.16	1,167.92
(ii) Lease liabilities	105.57	-
(iii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	308.13	440.67
(b) Total outstanding dues of creditors other than micro enterprises and	1,779.79	2,026.22
(iv) Other financial liabilities	828.81	1,201.28
Provisions	121.62	131.27
Current Tax Liabilities (Net)	-	21.62
Other current liabilities	287.61	220.06
Total current liabilities	6,302.69	5,209.04
Total liabilities	7,860.73	6,145.56
Total equity and liabilities	15,550.66	13,854.66

Place: Coimbatore
Date: June 29, 2020



For and on behalf of the Board of Directors


Jaiyam Varadaraj
 Managing Director

Consolidated Statement of Cash Flows

(Rs. in Millions)

Particulars	Year ended	
	March 31, 2020	March 31, 2019
Cash flow from operating activities		
Profit before tax	695.61	1,435.04
<i>Adjustments for</i>		
Depreciation and amortisation expense	652.32	511.07
Allowance for doubtful debt	53.53	22.39
Loss on disposal of property, plant and equipment	(4.13)	(0.18)
Share of profits of associates and joint ventures	(12.40)	(21.87)
Rental income from Investment property (net of expenses)	(7.14)	(5.80)
Exchange difference on translation of foreign operations	38.56	4.47
Loss recognised on loss of control over subsidiary	-	11.11
Non-cash employee share based payments	0.21	-
Dividend and interest income classified as investing cash flows	(66.31)	(52.26)
Finance costs	155.47	89.85
Change in operating assets and liabilities, net of effects from purchase of subsidiary and loss of control over subsidiary		
Increase in trade receivables	(48.57)	(105.21)
(Increase)/decrease in inventories	(268.85)	73.65
Increase/(decrease) in trade payables	(437.62)	183.80
Increase in other financial assets	(15.32)	(7.54)
Increase in other current assets	(58.21)	(33.11)
Increase in provisions	45.04	11.75
Increase in other financial liabilities	3.50	37.91
Increase in other current liabilities	55.60	64.21
Cash generated from operations	781.29	2,219.28
Income taxes paid	(426.49)	(500.66)
Net cash inflow from operating activities	354.80	1,718.62
Cash flows from investing activities		
Payments for property, plant and equipment and intangible assets	(439.19)	(543.55)
Payment for acquisition of subsidiary/business, net of cash acquired	(386.26)	(508.47)
Payments for settlement of contingent consideration in relation to acquisition of subsidiary	(180.87)	-
Payment for acquisition of business/assets	(138.46)	-
Investment in Joint Ventures	(9.43)	-
Loans to employees	(5.41)	(23.25)
Proceeds from sale of property, plant and equipment	21.19	29.62
Rental income from Investment property (net of expenses)	7.14	5.80
Dividends received on equity instruments	1.03	0.56
Dividends received from associate and joint venture	15.33	12.49
(Investments)/Redemption of Deposits with Banks/Financial institutions	(462.77)	(89.09)
Interest received	61.91	46.82
Net cash outflow from investing activities	(1,515.79)	(1,069.07)
Cash flows from financing activities		
Interest paid	(144.70)	(88.76)
Proceeds from Long term borrowings from banks	443.34	620.61
Repayment of Long term borrowings to banks	(442.69)	(447.86)
Net Short term loans borrowed from/(repayment to) Banks	1,703.24	(457.13)
Payment of lease liabilities	(92.88)	-
Dividends paid to company's shareholders	(464.58)	(188.69)
Dividend Tax paid	(88.02)	(39.08)
Net cash inflow/(outflow) from financing activities	913.71	(600.91)
Net increase/(decrease) in cash and cash equivalents	(247.28)	48.64
Cash and cash equivalents at the beginning of the financial year	702.38	653.74
Cash and cash equivalents at end of the year*	455.10	702.38

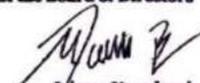
* includes restricted cash and cash equivalents in relation to balance in unclaimed dividend account.

For and on behalf of the Board of Directors

Place: Coimbatore

Date: June 29, 2020




Jhiram Varadaraj
Managing Director

ELGI EQUIPMENTS LIMITED

Trichy Road, Sinnerwalkur, Coimbatore - 641005, Tamil Nadu, India

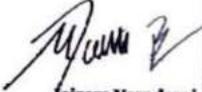
Annexure I - Segment Revenue, Results and Capital Employed

(Rs. in Millions)

Sl No.	Particulars	Quarter ended			Year ended	
		March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Segment Revenue					
	a) Air Compressors	4,172.02	4,221.38	4,769.19	16,575.42	16,740.16
	b) Automotive equipments	375.46	413.17	511.78	1,721.86	1,897.42
		4,547.48	4,634.55	5,280.97	18,297.28	18,637.58
	Less: Inter segment revenue	0.42	1.53	0.66	3.36	2.89
	Income from operations	4,547.06	4,633.02	5,280.31	18,293.92	18,634.69
2	Segment Results (Profit before share of profit/(loss) of joint ventures and tax)					
	a) Air Compressors	29.91	167.99	440.90	562.95	1,292.47
	b) Automotive equipments	31.34	23.27	44.90	119.39	120.70
		61.25	191.26	485.80	682.34	1,413.17
	Add: Inter segment result	0.18	0.21	-	0.87	-
		61.43	191.47	485.80	683.21	1,413.17
3	Segment Assets					
	a) Air Compressors	14,364.35	14,162.69	12,695.56	14,364.35	12,695.56
	b) Automotive equipments	1,204.80	1,107.76	1,159.10	1,204.80	1,159.10
		15,569.15	15,270.45	13,854.66	15,569.15	13,854.66
	Less: Inter segment assets	18.49	19.64	-	18.49	-
		15,550.66	15,250.81	13,854.66	15,550.66	13,854.66
4	Segment Liabilities					
	a) Air Compressors	7,497.35	7,061.51	5,779.80	7,497.35	5,779.80
	b) Automotive equipments	382.74	301.91	365.76	382.74	365.76
		7,880.09	7,363.42	6,145.56	7,880.09	6,145.56
	Less: Inter segment liabilities	19.36	20.33	-	19.36	-
		7,860.73	7,343.09	6,145.56	7,860.73	6,145.56
5	Capital Employed (Segment Assets - Segment Liabilities)					
	a) Air Compressors	6,867.00	7,101.18	6,915.76	6,867.00	6,915.76
	b) Automotive equipments	822.06	805.85	793.34	822.06	793.34
		7,689.06	7,907.03	7,709.10	7,689.06	7,709.10
	Add: Inter segment capital employed	0.87	0.69	-	0.87	-
		7,689.93	7,907.72	7,709.10	7,689.93	7,709.10

For and on behalf of the Board of Directors

Place: Coimbatore
Date : June 29, 2020


Jairam Varadaraj
Managing Director

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Elgi Equipments Limited

Report on the Audit of Standalone Annual Financial Results

Opinion

1. We have audited the standalone annual financial results of Elgi Equipments Limited (hereinafter referred to as the 'Company') [in which are included results of two jointly controlled entities (representing joint operations)] for the year ended March 31, 2020, the standalone statement of assets and liabilities and the standalone statement of cash flows as at and for the year ended on that date, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:
 - (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
 - (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2020 and the standalone statement of assets and liabilities and the standalone statement of cash flows as at and for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 11 of the Other Matter paragraph below is sufficient and appropriate to provide a basis for our opinion

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Registered office and Head Office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi - 110002

Price Waterhouse (a Partnership Firm) Converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPINAAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Emphasis of Matter

4. We draw your attention to Note 3 to the standalone annual financial results which explains the management's assessment of the impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent on the circumstances as they evolve.

Our opinion is not modified in respect of this matter.

Board of Directors' Responsibilities for the Standalone Annual Financial Results

5. These Standalone annual financial results have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company and the standalone statement of assets and liabilities and the standalone statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the standalone annual financial results by the Directors of the Company, as aforesaid.
6. In preparing the standalone annual financial results, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

8. Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.
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9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls. (Refer paragraph 13 below)
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its joint operations to express an opinion on the Standalone annual financial results. We are responsible for the direction, supervision and performance of the audit of the financial statements of the Company of which we are the independent auditors. For the joint operations included in the standalone annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
10. We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
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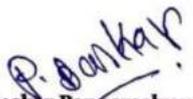
Other Matters

11. We did not audit the financial statements of two joint operations included in the standalone annual financial results which constitute Company's share of total assets of Rs. 127.45 million and net assets of Rs. 124.28 million as at March 31, 2020, total revenue of Rs. Nil, total comprehensive income of Rs. 0.70 million and net cash inflows of Rs. 0.86 million for the year then ended. These financial statements and other information have been audited by other auditors whose reports have been furnished to us, and our opinion on the standalone annual financial results to the extent they have been derived from such financial statement is based solely on the reports of such other auditors.

Our opinion is not modified in respect of the above matter.

12. The standalone annual financial Results include the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year (limited review carried out by us till December 31, 2019), which are neither subject to limited review nor audited by us.
13. The standalone annual financial results dealt with by this report has been prepared for the express purpose of filing with stock exchanges on which the Company's shares are listed. These results are based on and should be read with the audited standalone financial statements of the Company for the year ended March 31, 2020 on which we issued an unmodified audit opinion vide our report dated June 29, 2020.

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


Baskar Pannerselvam
Partner
Membership Number: 213126
UDIN: 20213126AAAADL4011

Place: Chennai
Date: June 29, 2020

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Elgi Equipments Limited

Report on the Audit of Consolidated Annual Financial Results

Opinion

1. We have audited the consolidated annual financial results of Elgi Equipments Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its joint operations and its joint ventures (Refer note 6 to the consolidated annual financial results) for the year ended March 31, 2020 and the consolidated statement of assets and liabilities and the consolidated statement of cash flows as at and for the year ended on that date, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements/ financial information of the subsidiaries, joint operations and joint ventures, the aforesaid consolidated annual financial results:
 - (i) include the annual financial results of the following entities (also refer note 6 to the consolidated annual financial results):

Subsidiaries:

- i. Elgi Compressor USA Inc., its subsidiaries and its jointly controlled entity
- ii. PT Elgi Equipments Indonesia
- iii. ATS Elgi Limited
- iv. Adison Precision Instruments Manufacturing Company Limited
- v. Ergo Design Private Limited
- vi. Elgi Equipments (Zhejiang) Limited
- vii. Elgi Gulf FZE. and its subsidiary
- viii. Elgi Compressors Do Brazil Imp. E. Exp. Ltda
- ix. Elgi Equipments Australia Pty Ltd.
- x. Industrial Air Compressors Pty Ltd. and its subsidiaries
- xi. Elgi Compressors Italy S.R.L (formerly known as Elgi Compressors Europe SRL) and its subsidiaries

Jointly controlled entities

- i. Elgi Sauer Compressors Limited (Joint Venture)
- ii. Industrial Air Solutions LLP (Joint Venture)
- iii. L.G. Balakrishnan & Bros (Joint Operations)
- iv. Elgi Services (Joint Operations)

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- (ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (iii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Group, its joint operations and its joint ventures for the year ended March 31, 2020 and the consolidated statement of assets and liabilities and the consolidated statement of cash flows as at and for the year ended on that date.

Basis for Opinion

- 3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results' section of our report. We are independent of the Group, its joint operations and its joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

- 4. We draw your attention to Note 3 to the consolidated annual financial results which explains the assessment of the management of the Holding Company and one of its subsidiary ATS Elgi Limited, audited by us, of the impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent on the circumstances as they evolve.
Our opinion is not modified in respect of this matter.
- 5. The following emphasis of matter were included in the Auditors' report on financial information of Elgi Equipments Australia Pty Ltd and Industrial Air Compressors Pty limited dated June 26, 2020, subsidiaries of the Holding Company, issued by an independent auditor reproduced by us as under respectively:

"We draw attention to Note 17, which describes the impact of the Coronavirus (COVID-19) on the Company. Our opinion is not modified in respect of this matter."

"We draw attention to Note 24, which describes the impact of the Coronavirus (COVID-19) on the Group. Our opinion is not modified in respect of this matter."

Our opinion is not modified in respect of these matters.



Board of Directors' Responsibilities for the Consolidated Annual Financial Results

6. These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group, its joint operations and its joint ventures and the consolidated statement of assets and liabilities and the consolidated statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Directors of the Holding Company, as aforesaid.
7. In preparing the consolidated annual financial results, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group and its joint ventures or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for overseeing the financial reporting process of the Group and of its joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

9. Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial results.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



- Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the holding company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls. (Refer paragraph 18 below)
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint operations and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint operations and joint ventures to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its joint operations and joint ventures to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated annual financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
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12. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

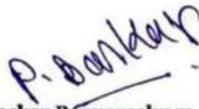
Other Matters

13. We did not audit the financial information of two joint operations included in the standalone annual financial results of the Holding Company whose financial information reflect the company's share of total assets of Rs. 127.45 million, net assets of Rs. 124.28 million, total revenues of Rs. Nil, total comprehensive income of Rs. 0.70 million and net cash inflows of Rs. 0.86 million for the year ended March 31, 2020, as considered in the Standalone annual financial results of the Holding Company included in the Group. The financial information of these joint operations have been audited by other auditors whose reports have been furnished to us or other auditors, and our opinion in so far as it relates to the amounts and disclosures included in respect of these joint operations, is based solely on the reports of such other auditors, and the procedures performed by us as stated in paragraph 12 above.
14. We did not audit the Consolidated/Standalone financial statements / financial information of 13 subsidiaries (including their relevant step-down subsidiaries and Joint venture), whose financial statements / financial information reflect total assets of Rs. 8,625.63 million, net assets of Rs. 1,846.35 million, total revenues of Rs. 7,945.21 million, total comprehensive income of Rs. (214.40) million and net cash outflows of Rs. 109.73 for the year ended March 31, 2020, as considered in the consolidated annual financial results. The consolidated annual financial results also include the Group's share of total comprehensive income of Rs. 10.61 million for the year ended March 31, 2020, as considered in the consolidated annual financial results, in respect of two joint ventures, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 12 above.
15. Of the above, the financial statements of one subsidiary, located outside India, included in the consolidated annual financial results, which constitute total assets of Rs. 923.01 million and net assets of Rs. 735.18 million, total revenue of Rs. Nil and total comprehensive income of Rs 123.35 million and net cash outflow of Rs. 0.51 million for the year ended March 31, 2020 have been prepared in accordance with accounting principles generally accepted in their country and have been audited by other auditors under generally accepted auditing standards applicable in their country. The Company's management has converted the financial statements of the subsidiary located outside India from the accounting principles generally accepted in their country to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of the subsidiary located outside India, including other information, is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.
16. Our opinion on the consolidated annual financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

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17. The consolidated annual financial Results include the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of the full financial year and the published audited year to date figures up to the third quarter of the current financial year (limited review carried out by us till December 31, 2019), which are neither subject to limited review nor audited by us.
18. The consolidated annual financial results dealt with by this report have been prepared for the express purpose of filing with stock exchanges on which the Company's share are listed. These results are based on and should be read with the audited consolidated financial statements of the group, joint operations and its joint ventures, for the year ended March 31, 2020 on which we have issued an unmodified audit opinion vide our report dated June 29, 2020.

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



Baskar Pannerselvam
Partner
Membership Number: 213126
UDIN: 20213126AAAADN5972

Place: Chennai
Date: June 29, 2020



Press Release – 29/06/2020

Elgi Equipments Limited – Results for the financial year 2019-20

Elgi Equipments Limited, a manufacturer of air compressors announced today the results for the financial year 2019-20 posting a PAT of Rs. 42.6 Crores, compared to Rs. 103.1 Crores for the financial year 2018-19 on a consolidated basis. Consolidated sales for the group was Rs. 1,829 Crores for 2019-20, compared to Rs. 1,863 Crores for the previous year.

The financial year 2019-20 witnessed mixed results across various geographies in which the Company operates. The volatility in the Indian economy, coupled with the impact of lockdown in March'20 resulted in a reduction of revenues from India during the last quarter of 2019-20. Despite good growth in revenues from international markets, sales performance was marginally lower than the previous year on a consolidated basis. Lower consolidated PAT was due to the planned growth oriented investments in Europe, which are expected to show results in the coming quarters. The economic sluggishness in India also resulted in missing the targeted growth for which we had invested in people.

The standalone PAT for the financial year 2019-20 was higher at Rs. 100.4 Crores as compared to Rs. 84.7 Crores for the previous financial year. This is because of the dividend received from some of the overseas subsidiaries.

Automotive Business

The Company's automotive business saw a drop from its sales levels when compared to the corresponding quarter in 2018-2019, due to continuing unfavourable market conditions faced by the automotive industry coupled with the lockdown in March'20 due to COVID-19. However, PAT was maintained at satisfactory levels.

Outlook for 2020-21

Business outlook for the year ahead is uncertain in the context of COVID-19 but the Company has been actively initiating various mitigating measures to contain costs and conserve cash flows. Our performance in the current year, though below the normal run rates, is encouraging with all of our international businesses delivering revenue disproportionately better than our India business.

For and on behalf of Elgi Equipments Limited

Mr. Jairam Varadaraj

Managing Director