

# RJC ASSOCIATES

Chartered Accountants

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PARTNERS

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

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

As requested in your instructions 'Elgi Equipments Limited Group Audit Instructions for the year ended March 31, 2024, we have audited, for purposes of your audit of the consolidated financial statements of Elgi Equipments Limited, the accompanying special purpose financial information of **Elgi Compressores Do Brasil Importadora E Exportadora Ltda** as of March 31, 2024 and for the year then ended. This special purpose financial information has been prepared solely to enable Elgi Equipments Limited to prepare its consolidated financial statements.

### *Management's responsibility for the special purpose financial information*

Management is responsible for the preparation of this special purpose financial information in accordance with policies and instructions contained in Elgi Equipments Limited's accounting manual/ Accounting Policies and for such internal control as management determines is necessary to enable the preparation of special purpose financial information that is free from material misstatement, whether due to fraud or error.

### *Auditor's responsibility*

Our responsibility is to express an opinion on this special purpose financial information based on our audit. We conducted our audit in accordance with Standards on Auditing s issued by Institute of Chartered Accountants of India. Standards on Auditing require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the special purpose financial information is free from material misstatement.

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 audit opinion. The conclusions reached in forming our opinion are based on the component materiality level specified by you in the context of the audit of the consolidated financial statements of the group.



### *Opinion*

In our opinion, the accompanying special purpose financial information for **Elgi Compressores Do Brasil Importadora E Exportadora Ltda** as of March 31, 2024 and for the year then ended has been prepared, in all material respects in accordance with the policies and instructions contained in Elgi Equipments Limited's accounting manual/accounting policies.

### *Restriction on use*

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 Ind AS (Indian IFRS) and is not intended to *give a true and fair view of / present fairly, in all material respects*, the financial position of **Elgi Compressores Do Brasil Importadora E Exportadora Ltda** as of *March 31, 2024* and of its financial performance for the year then ended in accordance with *Ind AS*. The financial information may, therefore, not be suitable for another purpose.

This report is intended solely for Price Waterhouse Chartered Accountants LLP, Chennai and should not be used by other parties.

For **RJC Associates**

Chartered Accountants

Firm's Registration No: 003496S



R. Jeyachandran

Partner

Membership No: 021848



Coimbatore

17-05-2024

UDIN: 24021848BKBUJP9490



*Elgi Compressores Do Brasil Importadora E Exportadora Ltda*  
*Memorandum of Work Performed for the year ended March 31, 2024*

**Addressee** To Price Waterhouse Chartered Accountants LLP

**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 Inter-firm Letter of Instruction ('Instructions') dated March 22, 2024.

**Scope Of The Work Performed By Us**

The scope of the work performed by us on the interim financial information of Elgi Compressores Do Brasil Importadora E Exportadora Ltda was in accordance with the Instructions dated March 22, 2024 received from you.

**Identification Of Financial Information Being Reported On**

**Report Identifiers** : Financial Statements for the period ended March 31, 2024

**Financial information** : Currency used - INR in millions

Description	Quarter ended			Year ended	
	Mar 2024	Dec 2023	Mar 2023	Mar 2024	Mar 2023
Income	218.42	158.01	103.32	714.81	575.30
Profit after tax	54.94	38.60	68.58	169.59	169.12
OCI net of tax	(8.37)	9.31	4.32	2.20	5.43
Total Assets				555.34	473.41
Total Equity				315.41	143.62

**Analytical procedures**

We have included the balance sheet as at March 31, 2024 and the income statement for the period ended then including comparative figures and there are no significant fluxes noticed:

- In respect of Income statement accounts – QE March 2024 vs. QE December 2023 & QE March 2023: YE March 2024 vs. YE March 2023.
- In respect of Balance sheet accounts – Balance as at March 31, 2024 vs. Balance as at March 31, 2023.

**Laws And Regulations**

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

**Fraud**

No instances of fraud requiring your attention were noted.

**Significant Risks And Our Responses**

No significant risks identified

**Indicators Of Management Bias**

No indicators of management bias were detected by us.



***Significant Matters***

Nil

***Key Audit Matters (KAMs)***

Nil

***Summary Of Uncorrected Misstatements***

No uncorrected misstatements were noted.

***Schedule Of Review Adjustments***

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

***Summary Of Significant Control Deficiencies At The Component Level***

No significant control deficiencies were noted.

***Related Parties***

We confirm that the related party balances as furnished by the component team (as attached as annexure 1 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.

***Compliance with Group Accounting Policies***

We have ensured that the financial statements and financial results of ELGI Compressors Do Brasil Imp. E. Exp. Ltda have been drawn up in accordance with the group accounting policies.

***Subsequent Events Procedures***

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

***Matters To Be Communicated To [Group Management/Those Charged With Governance]***

No specific representations to be included.

***Going Concern Status Of Component***

No items requiring your attention were noted

***Impact of COVID-19 pandemic assessment for the period***

Nil

***Government Grants***

Nil

***Litigation And Claims***

No items requiring your attention were noted.

***Review Report***

Please refer to our attached review report.

***Compliance With Ethical Requirements***

We confirm that we comply with the Code of Ethics, issued by the Institute of Chartered Accountants of India, in relation to the work carried out on the component.





*Other Matters*

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 22, 2024.

For **RJC Associates**

Chartered Accountants

Firm's Registration No: 003496S



R. Jeyachandran

Partner

Membership No: 021848



Elgi Compressors Do Brasil Imp.E.Exp LTDA

Statement of Audited Standalone Financial Results for the quarter and year ended 31-Mar-2024

Particulars	Quarter ended			Period ended	
	March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
<b>1. Income</b>					
(a) Revenue from operations	21,88,70,618.66	15,66,07,943.74	10,08,29,552.72	71,00,71,457.58	57,17,81,423.79
(b) Other income	(4,45,242.45)	14,02,228.90	24,95,157.33	47,41,526.68	35,19,588.64
<b>Total income</b>	<b>21,84,25,376.21</b>	<b>15,80,10,172.64</b>	<b>10,33,24,710.05</b>	<b>71,48,12,984.26</b>	<b>57,53,01,012.43</b>
<b>2. Expenses</b>					
(a) Cost of materials consumed	8,50,55,237.03	9,65,81,053.01	5,53,04,217.32	30,65,96,029.26	32,74,78,299.74
(b) Purchases of stock-in-trade					
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	1,27,12,385.32	(2,93,50,221.92)	(90,66,937.54)	1,51,81,324.60	(3,17,72,892.10)
(d) Employee benefits expenses	1,93,61,076.65	1,69,56,746.19	1,42,86,434.61	7,12,56,415.85	5,65,51,513.21
(e) Finance costs	10,72,464.82	3,90,144.39	6,74,901.54	26,69,710.42	32,75,933.38
(f) Depreciation and amortisation expenses	1,52,660.45	1,60,945.60	2,30,383.93	6,10,130.49	7,22,331.99
(g) Other expenses	1,66,07,470.21	1,42,28,988.01	87,95,906.53	5,93,41,481.50	5,15,29,274.15
<b>Total expenses</b>	<b>13,49,61,294.48</b>	<b>9,89,67,655.28</b>	<b>7,02,24,906.39</b>	<b>45,56,55,092.12</b>	<b>40,77,84,460.37</b>
<b>3. Profit before tax and share of profit/(loss) of joint ventures accounted under equity method</b>	<b>8,34,64,081.73</b>	<b>5,90,42,517.36</b>	<b>3,30,99,803.66</b>	<b>25,91,57,892.14</b>	<b>16,75,16,552.06</b>
4. Share of profit/(loss) of joint ventures accounted for using equity method					
<b>5. Profit before tax (3+4)</b>	<b>8,34,64,081.73</b>	<b>5,90,42,517.36</b>	<b>3,30,99,803.66</b>	<b>25,91,57,892.14</b>	<b>16,75,16,552.06</b>
<b>6. Income tax expense</b>					
-Current tax	2,86,24,120.04	1,95,02,660.26	30,94,668.79	7,65,47,158.42	3,73,56,568.57
-Deferred tax	(99,711.88)	9,38,134.87	(3,85,72,021.43)	1,30,17,761.63	(3,89,57,542.59)
<b>7. Net Profit for the period (5-7)</b>	<b>5,49,39,673.57</b>	<b>3,86,01,722.23</b>	<b>6,85,77,156.30</b>	<b>16,95,92,972.09</b>	<b>16,91,17,526.08</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	(83,75,330.56)	93,09,587.40	43,19,026.82	21,96,740.92	54,39,109.71
<b>Total other comprehensive income/(loss), net of income tax</b>	<b>(83,75,330.56)</b>	<b>93,09,587.40</b>	<b>43,19,026.82</b>	<b>21,96,740.92</b>	<b>54,39,109.71</b>
<b>9. Total comprehensive income for the period (7+8)</b>	<b>4,65,64,343.01</b>	<b>4,79,11,309.63</b>	<b>7,28,96,183.12</b>	<b>17,17,89,713.01</b>	<b>17,45,56,635.79</b>

For ELGI EQUIPMENTS LIMITED

Authorised Signatory

For RJC Associates

Chartered Accountants

Firm's Registration No: 0034965

R. Jeyachandran

Partner

Membership No: 021848






Elgi Compressors Do Brasil Imp.E.Exp LTDA  
Balance Sheet as at March 31, 2024

Balance Sheet	Note	As At March 31, 2024	In ₹ Actual As At March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3a	32,99,791.87	30,71,828.51
Right of use assets	3b	-	-
Capital work-in-progress	3a	-	-
Other intangible assets	5	-	-
<b>Financial assets</b>			
(i) Investments	6	-	-
(ii) Loans	7	-	-
(iii) Other financial assets	8	-	-
Deferred tax assets (Net)	26c	2,84,11,789.26	4,03,22,698.64
Current tax assets (net)	26b	-	26,45,476.32
<b>Total non-current assets</b>		<b>3,17,11,581.13</b>	<b>4,60,40,003.47</b>
<b>Current Assets</b>			
Inventories	10	15,94,64,200.71	17,46,45,525.31
<b>Financial assets</b>			
(i) Trade receivables	11	25,02,14,473.12	13,81,86,379.54
(ii) Cash and cash equivalents	12	7,71,67,236.93	7,09,05,694.55
(v) Loans	14	5,36,401.10	4,87,630.38
Other current assets	16	3,62,44,638.98	4,31,42,461.46
<b>Total current assets</b>		<b>52,36,26,950.84</b>	<b>42,73,67,691.24</b>
<b>Total Assets</b>		<b>55,53,38,531.97</b>	<b>47,34,07,694.71</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	20,53,45,747.76	3,35,56,034.75
<b>Total equity</b>		<b>31,54,06,887.06</b>	<b>14,36,17,174.05</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	19b	8,35,64,069.10	16,09,12,469.46
(iii) Trade payables			
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	22	12,65,54,361.86	14,53,70,916.80
(iv) Other financial liabilities	23	70,16,964.87	53,59,955.46
Current tax liabilities (net)	26b	58,30,442.85	-
Other current liabilities	25	1,69,65,806.23	1,81,47,178.94
<b>Total current liabilities</b>		<b>23,99,31,644.91</b>	<b>32,97,90,520.66</b>
<b>Total liabilities</b>		<b>23,99,31,644.91</b>	<b>32,97,90,520.66</b>
<b>Total equity and liabilities</b>		<b>55,53,38,531.97</b>	<b>47,34,07,694.71</b>

For ELGI EQUIPMENTS LIMITED

  
Authorized Signatory

For RJC Associates

Chartered Accountants

Firm's Registration No: 003496S



  
R. Jeyachandran  
Partner  
Membership No: 021848



Elgi Compressors Do Brasil Imp.E.Exp LTDA  
Profit & Loss Account for the year ended March 31, 2024

Statement of Profit and Loss	Note	In ₹ Actual	
		April 01, 2023 to March 31, 2024	April 01, 2022 to March 31, 2023
Revenue from operations	<u>27</u>	71,00,71,457.58	57,17,81,423.79
Other income	<u>28</u>	47,41,526.68	35,19,588.64
<b>Total income</b>		<b>71,48,12,984.26</b>	<b>57,53,01,012.43</b>
<b>Expenses</b>			
Cost of materials consumed	<u>29</u>	30,65,96,029.26	32,74,78,299.74
Purchases of stock-in-trade	<u>30</u>	-	-
Changes in Inventories of finished goods, work-in-progress and stock-in-trade	<u>31</u>	1,51,81,324.60	(3,17,72,892.10)
Employee benefits expenses	<u>32</u>	7,12,56,415.85	5,65,51,513.21
Finance costs	<u>33</u>	26,69,710.42	32,75,933.38
Depreciation and amortisation expenses	<u>34</u>	6,10,130.49	7,22,331.99
Other expenses	<u>35</u>	5,93,41,481.50	5,15,29,274.15
<b>Total expenses</b>		<b>45,56,55,092.12</b>	<b>40,77,84,460.37</b>
<b>Profit before exceptional items, share of net profits of investments accounted for using equity method and tax</b>		<b>25,91,57,892.14</b>	<b>16,75,16,552.06</b>
Share of profit/(loss) of joint ventures accounted for using equity method		-	-
Exceptional items		-	-
<b>Profit before tax</b>		<b>25,91,57,892.14</b>	<b>16,75,16,552.06</b>
<b>Income tax expense</b>			
- Current tax		7,65,47,158.42	3,73,56,568.57
- Deferred tax		1,30,17,761.63	(3,89,57,542.59)
<b>Profit for the year from continuing operations</b>		<b>16,95,92,972.09</b>	<b>16,91,17,526.08</b>
<b>Profit for the year</b>		<b>16,95,92,972.09</b>	<b>16,91,17,526.08</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		21,96,740.92	54,39,109.71
<b>Other comprehensive income for the year, net of tax</b>		<b>21,96,740.92</b>	<b>54,39,109.71</b>
<b>Total comprehensive income for the year</b>		<b>17,17,89,713.01</b>	<b>17,45,56,635.79</b>

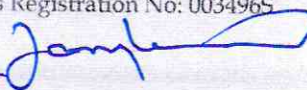
For ELGI EQUIPMENTS LIMITED

  
Authorised Signatory

For RJC Associates  
Chartered Accountants

Firm's Registration No: 0034965



  
R. Jeyachandran  
Partner  
Membership No: 021848



Elgi Compressors Do Brasil Imp. E. Exp. LTDA  
 Property, Plant & Equipment Schedule March 31, 2024  
 3 (a). Property, Plant & Equipment

Particulars	Plant & Machinery	Office equipment	Furniture and Fixtures	Vehicle	Computers and other assets	Canteen Equipments	Total
<b>Year ended March 31, 2023</b>							
Gross carrying amount							
Opening gross carrying amount	52,38,168.81		14,94,375.20	5,02,747.00	11,98,383.12	57,864.00	84,91,538.13
Acquisition on Business Combinations							
Additions			23,17,241.76		2,34,369.43		25,51,611.19
Disposal							
Exchange difference	82,473.29		1,04,729.61	7,915.59	27,080.97	911.04	2,23,110.50
Transfers							
<b>Closing gross carrying amount</b>	<b>53,20,642.10</b>		<b>39,16,346.57</b>	<b>5,10,662.59</b>	<b>14,59,833.52</b>	<b>58,775.04</b>	<b>1,12,66,259.82</b>
Accumulated depreciation							
Opening accumulated depreciation	46,89,353.09		14,81,079.03	5,02,747.00	6,39,256.57	18,900.12	73,31,335.81
For the year	4,33,700.97		1,55,133.28		1,31,226.37	2,271.39	7,22,332.01
Disposal							
Exchange Difference	89,030.17		28,755.34	7,915.59	14,685.22	377.16	1,40,763.48
Transfers							
<b>Closing Accumulated depreciation</b>	<b>52,12,084.24</b>		<b>16,64,967.65</b>	<b>5,10,662.59</b>	<b>7,85,168.17</b>	<b>21,548.69</b>	<b>81,94,431.31</b>
<b>Net carrying amount - March 31, 2023</b>	<b>1,08,557.86</b>		<b>22,51,378.93</b>		<b>6,74,665.35</b>	<b>37,226.37</b>	<b>39,71,828.51</b>
<b>Period ended March 31, 2024</b>							
Gross carrying amount							
Opening gross carrying amount	53,20,642.10		39,16,346.57	5,10,662.59	14,59,833.52	58,775.04	1,12,66,259.82
Acquisition on Business Combinations							
Additions	2,45,846.12		25,320.55		4,91,857.43		7,63,024.09
Disposal							
Exchange difference	1,30,179.95		97,079.11	12,685.08	32,287.36	1,459.89	2,73,691.48
Transfers							
<b>Closing gross carrying amount</b>	<b>56,96,668.17</b>		<b>40,38,746.23</b>	<b>5,23,347.66</b>	<b>19,83,978.30</b>	<b>60,235.03</b>	<b>1,23,02,975.40</b>
Accumulated depreciation							
Opening accumulated depreciation	52,12,084.24		16,64,967.65	5,10,662.59	7,85,168.17	21,548.68	81,94,431.31
For the year	1,09,209.69		2,51,296.15		2,47,195.63	2,429.02	6,10,130.49
Disposal							
Exchange Difference	1,28,587.71		39,327.40	12,685.08	17,505.91	515.63	1,98,621.73
Transfers							
<b>Closing Accumulated depreciation</b>	<b>54,49,891.64</b>		<b>19,55,591.19</b>	<b>5,23,347.66</b>	<b>10,49,869.71</b>	<b>24,493.32</b>	<b>99,03,183.53</b>
<b>Net carrying amount - March 31, 2024</b>	<b>2,46,786.53</b>		<b>20,83,155.04</b>		<b>9,34,108.60</b>	<b>35,741.71</b>	<b>32,99,791.87</b>



*[Handwritten signature]*



Elgi Compressors Do Brasil Imp.E.Exp LTDA

Intangible Assets & Goodwill Schedule March 31 2024

5. Other Intangible Assets & Goodwill

Particulars	Computer software	Goodwill
<b>Year ended March 31, 2023</b>		
<b>Gross carrying amount</b>		
Opening gross carrying amount	24,63,212	-
Acquisition on Business Combinations	-	-
Additions	-	-
Disposal	-	-
Exchange difference	38,782	-
Transfers	-	-
<b>Closing gross carrying amount</b>	<b>25,01,994</b>	<b>-</b>
<b>Accumulated depreciation</b>		
Opening accumulated depreciation	24,63,212	-
For the year	-	-
Disposal	-	-
Exchange Difference	38,782	-
Transfers	-	-
<b>Closing Accumulated depreciation</b>	<b>25,01,994</b>	<b>-</b>
<b>Net carrying amount - March 31, 2023</b>	<b>0</b>	<b>-</b>
<b>Year ended March 31, 2024</b>		
<b>Gross carrying amount</b>		
Opening gross carrying amount	25,01,994	-
Acquisition on Business Combinations	-	-
Additions	-	-
Disposal	-	-
Exchange difference	62,151	-
Transfers	-	-
<b>Closing gross carrying amount</b>	<b>25,64,145</b>	<b>-</b>
<b>Accumulated depreciation</b>		
Opening accumulated depreciation	25,01,994	-
For the year	-	-
Disposal	-	-
Exchange Difference	62,151	-
Transfers	-	-
<b>Closing Accumulated depreciation</b>	<b>25,64,145</b>	<b>-</b>
<b>Net carrying amount - March 31, 2024</b>	<b>0</b>	<b>-</b>





Elgi Compressors Do Brasil Imp.E.Exp LTDA  
Schedules to the Balance Sheet as at March 31, 2024

	As At March 31, 2024	In ₹ Actual As At March 31, 2023
<b>6. Investments (Non-current)</b>		
(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)		
<b>Total</b>	<b>-</b>	<b>-</b>
<b>10. Inventories</b>		
(c) Finished goods	15,94,64,200.71	17,46,45,525.31
<b>Total</b>	<b>15,94,64,200.71</b>	<b>17,46,45,525.31</b>
<b>11. Trade receivables</b>		
Unsecured, considered good	25,16,43,136.28	14,06,53,712.59
Unsecured, considered doubtful	-	-
	25,16,43,136.28	14,06,53,712.59
Less: Allowance for doubtful debts(expected credit loss allowance)	(14,28,663.16)	(24,67,333.05)
<b>Total</b>	<b>25,02,14,473.12</b>	<b>13,81,86,379.54</b>
<b>12. Cash and cash equivalents</b>		
(c) Balance with banks		
- In current accounts	7,71,67,236.93	5,73,34,277.84
- In deposit accounts (with original maturity of 3 months or less)	-	1,35,71,416.71
<b>Total</b>	<b>7,71,67,236.93</b>	<b>7,09,05,694.55</b>
<b>14. Loans (Current)</b>		
Loans considered good - Unsecured		
Loan to employees	5,36,401.10	4,87,630.38
	5,36,401.10	4,87,630.38
Loans- Credit impaired		
	5,36,401.10	4,87,630.38
<b>Total</b>	<b>5,36,401.10</b>	<b>4,87,630.38</b>







Elgi Compressors Do Brasil Imp.E.Exp LTDA  
Schedules to the Balance Sheet as at March 31, 2024

15. Other financial asset

Derivative instruments not designated as hedges  
Derivative instruments designated as hedges  
Interest rate swap  
Others

16. Other current assets

Prepaid expenses	5,16,658.93	3,92,590.95
Balance with Government authorities	3,01,04,951.05	4,08,54,252.55
Advance to suppliers	54,50,193.43	17,12,635.89
Others	1,72,835.57	1,82,982.07
<b>Total</b>	<b>3,62,44,638.98</b>	<b>4,31,42,461.46</b>

17. Equity Share capital

In ₹ Actual

As At March 31, 2024	As At March 31, 2023
-------------------------	-------------------------

Authorised

Equity shares of ₹ 1 each/- : ₹ 300 million

Issued, Subscribed and fully paid up

Equity shares of ₹ 1 each/-

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, 2024	As At March 31, 2023
-------------------------	-------------------------

Reserves & Surplus

Retained earnings

Other Reserves

Total

Retained earnings	12,06,44,370.98	(4,89,48,601.11)
Other Reserves	8,47,01,376.78	8,25,04,635.86
<b>Total</b>	<b>20,53,45,747.76</b>	<b>3,35,56,034.75</b>

18. Other equity- Movement during the year

In ₹ Actual

As At March 31, 2024	As At March 31, 2023
-------------------------	-------------------------

a) Capital reserve

Opening balance

Additions during the year

Deductions/adjustments during the year

Closing balance

b) Securities Premium reserve

Opening balance

Additions during the year

Deductions/adjustments during the year

Closing balance

c) Statutory reserve

Opening balance

Opening balance	-	-
Additions during the year	-	-
Deductions/adjustments during the year	-	-
Closing balance	-	-
Opening balance	-	-
Additions during the year	-	-
Deductions/adjustments during the year	-	-
Closing balance	-	-





Elgi Compressors Do Brasil Imp.E.Exp LTDA  
Schedules to the Balance Sheet as at March 31, 2024

Additions during the year	-	-
Deductions/adjustments during the year	-	-
<b>Closing balance</b>	-	-
<b>d) General reserve</b>	-	-
Opening balance	-	-
Additions during the year	-	-
Deductions/adjustments during the year	-	-
<b>Closing balance</b>	-	-
<b>e) Share option outstanding account</b>	-	-
Opening balance	-	-
<b>Closing balance</b>	-	-
<b>f) Retained earnings</b>	-	-
Opening balance	(4,89,48,601.11)	(21,80,66,127.19)
Net profit for the period	16,95,92,972.09	16,91,17,526.08
Item of other comprehensive income recognised directly in retained earnings	-	-
<b>Appropriations</b>	-	-
Dividend on equity shares	-	-
<b>Closing balance</b>	<b>12,06,44,370.98</b>	<b>(4,89,48,601.11)</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>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>Foreign currency translation reserve</b>	-	-
Opening balance	8,25,04,635.86	7,70,65,526.15
Changes in Foreign currency translation reserve	21,96,740.92	54,39,109.71
Add/less: Amounts recognized in Profit or loss on loss of control over subsidiary	-	-
<b>Closing balance</b>	<b>8,47,01,376.78</b>	<b>8,25,04,635.86</b>
<b>i)Capital Redemption Reserve</b>	-	-
<b>j)Revaluation Reserve</b>	-	-

19(b). Borrowings (Current)

Loans repayable on demand

As At March 31,  
2024

In ₹ Actual  
As At March 31,  
2023





Elgi Compressors Do Brasil Imp.E.Exp LTDA  
Schedules to the Balance Sheet as at March 31, 2024

Secured		
- from Banks		
Unsecured		
- from Banks		
- from others	(0.33)	8,10,52,494.28
Interest accrued due on current borrowings	8,35,64,069.43	7,98,59,975.18
	<u>8,35,64,069.10</u>	<u>16,09,12,469.46</u>
<b>Total</b>	<b>8,35,64,069.10</b>	<b>16,09,12,469.46</b>
<b>22.Trade payables</b>		
Others		
Other creditors	12,65,54,361.86	14,53,70,916.80
<b>Total</b>	<b>12,65,54,361.86</b>	<b>14,53,70,916.80</b>
<b>23.Other financial liabilities</b>		
Derivatives not designated as hedges		
Derivative instruments designated as hedges		
Others		
Employee benefit expenses payable	70,16,964.87	53,59,955.46
<b>Total</b>	<b>70,16,964.87</b>	<b>53,59,955.46</b>
<b>25.Other current liabilities</b>		
Advances received from customers	1,54,54,733.61	1,60,23,976.09
Statutory payable	12,18,451.85	21,23,202.85
Other liabilities	2,92,620.77	-
<b>Total</b>	<b>1,69,65,806.23</b>	<b>1,81,47,178.94</b>
<b>26. Income taxes</b>		In ₹ Actual
	As At March 31,	As At March 31,
	2024	2023
<b>(a) Income tax expense</b>		
<b>Current tax</b>		
Current tax on profits for the year	7,65,47,158.42	3,73,56,568.57
<b>Total current tax expense</b>	<b>7,65,47,158.42</b>	<b>3,73,56,568.57</b>
<b>Deferred tax</b>		
Decrease/(increase) in deferred tax assets	1,30,17,761.63	(3,89,57,542.59)
<b>Total deferred tax expense/ (benefit)</b>	<b>1,30,17,761.63</b>	<b>(3,89,57,542.59)</b>
<b>Income tax expense</b>	<b>8,95,64,920.05</b>	<b>(16,00,974.02)</b>
<b>(b) Income tax assets/ liabilities</b>		
(i) Current tax assets (net)	-	26,45,476.32
(ii) Current tax liabilities (net)	58,30,442.85	-
<b>Net current tax asset/ (liability) at the end of the year</b>	<b>(58,30,442.85)</b>	<b>26,45,476.32</b>
<b>Movement during the year:</b>		
Opening balance	26,45,476.32	(64,95,802.72)
Add: Income tax paid during the year	6,80,71,239.25	4,64,97,847.61





Elgi Compressors Do Brasil Imp.E.Exp LTDA  
Schedules to the Balance Sheet as at March 31, 2024

Less: Current tax payable for the year	(7,65,47,158.42)	(3,73,56,568.57)
Income tax on other comprehensive income	-	-
Less : MAT credit adjusted	-	-
Closing balance	<u>(58,30,442.85)</u>	<u>26,45,476.32</u>
(c) Deferred tax assets / liabilities		
(i) Deferred tax assets (net)	2,84,11,789.26	4,03,22,698.64
(ii) Deferred tax liabilities	-	-
Net deferred tax asset/(liability) at the end of the year	<u>2,84,11,789.26</u>	<u>4,03,22,698.64</u>
Movement during the year		
Net deferred tax asset/(liability) at the beginning of the year	4,03,22,698.64	-
Credits/ (Charge) in Profit and loss relating to temporary differences	(1,30,17,761.63)	3,89,57,542.59
Credits/ (Charge) in Other comprehensive income on account of timing differences	-	-
Translation differences	11,06,852.25	13,65,156.05
Net deferred tax asset/(liability) at the end of the year	<u>2,84,11,789.26</u>	<u>4,03,22,698.64</u>





Elgi Compressors Do Brasil Imp.E.Exp LTDA  
Schedules to the Profit & Loss Account for the year/period ended March 31, 2024

	In ₹ Actual	
	April 01, 2023 to March 31, 2024	April 01, 2022 to March 31, 2023
<b>27. Revenue from operations</b>		
Revenue from contracts with customers		
Sale of products	70,87,19,919.30	56,80,60,896.44
Sale of services	13,51,538.28	37,20,527.35
<b>Total</b>	<u>71,00,71,457.58</u>	<u>57,17,81,423.79</u>
<b>28. Other income</b>		
Interest income- Bank deposits	5,996.24	-
Interest income - Others	14,17,076.80	11,06,193.39
Net gain on foreign currency transaction and translation (other than considered as finance cost)	(17,521.66)	4,54,565.40
Miscellaneous income (net)	33,35,975.30	19,58,829.85
<b>Total</b>	<u>47,41,526.68</u>	<u>35,19,588.64</u>
<b>29. Cost of material consumed</b>		
Opening stock of raw materials	-	-
Purchases	30,65,96,029.26	32,74,78,299.74
<b>Total</b>	<u>30,65,96,029.26</u>	<u>32,74,78,299.74</u>
Less:		
Inventory of materials at the end of the year	-	-
<b>Cost of material consumed</b>	<u>30,65,96,029.26</u>	<u>32,74,78,299.74</u>
*excludes R&D inventory		
<b>31. Changes in inventories of finished goods, work-in-progress and traded goods</b>		
Opening inventory*		
Finished goods	17,46,45,525.31	14,28,72,633.21
Work-in-progress	-	-
Stock-in-trade	-	-
<b>Total</b>	<u>17,46,45,525.31</u>	<u>14,28,72,633.21</u>
Closing inventory*		
Finished goods	15,94,64,200.71	17,46,45,525.31
Work-in-progress	-	-
Stock-in-trade	-	-
<b>Total</b>	<u>15,94,64,200.71</u>	<u>17,46,45,525.31</u>
<b>Net change in inventory</b>	<u>1,51,81,324.60</u>	<u>(3,17,72,892.10)</u>
*excludes R&D inventory		
<b>32. Employee benefit expenses</b>		
Salaries, wages and bonus	5,23,09,705.59	4,33,27,563.29
Contribution to Provident fund & Superannuation scheme	1,15,24,724.05	89,45,422.81





Elgi Compressors Do Brasil Imp.E.Exp LTDA  
Schedules to the Profit & Loss Account for the year/period ended March 31, 2024

Staff welfare expenses	74,21,986.21	42,78,527.11
<b>Total</b>	<b>7,12,56,415.85</b>	<b>5,65,51,513.21</b>
<b>33.Finance costs</b>		
Interest expense (other financing arrangements)	26,69,710.42	32,75,933.38
<b>Total</b>	<b>26,69,710.42</b>	<b>32,75,933.38</b>
<b>34.Depreciation and amortisation expense</b>		
Depreciation of property, plant and equipment	6,10,130.49	7,22,331.99
<b>Total</b>	<b>6,10,130.49</b>	<b>7,22,331.99</b>
<b>35.Other expenses</b>		
Consumption of stores	1,03,075.10	-
Commission	79,74,535.37	(9,50,007.99)
<b>Repairs and maintenance</b>		
-Building	24,09,520.12	12,54,505.12
-Plant and machinery	13,82,671.59	6,61,036.59
-Others	50,562.94	29,628.44
Communication expenses	21,79,143.81	15,91,586.59
Power and fuel	2,54,689.63	2,05,789.64
Transport charges	24,49,148.62	16,58,321.78
Travelling & conveyance	47,52,601.14	32,47,087.48
Insurance	2,50,997.30	2,15,812.84
Advertisement & publicity	30,53,848.70	15,55,214.08
Printing and stationery	3,11,052.59	2,25,491.34
After sales expenses	1,36,07,704.66	2,18,27,901.69
Rates and taxes	3,62,112.78	5,55,329.27
Payment to the auditors	10,06,221.00	-
Rent	57,11,416.89	45,25,609.21
Legal and consultancy charges	1,40,18,492.20	1,17,18,848.54
Bank charges	4,58,975.47	4,35,238.51
Net loss on foreign currency transaction and translation (other than considered as finance cost)	(11,52,279.85)	-
Bad debts written off & Provision for doubtful advances and debts	(30,23,895.35)	21,46,520.67
Miscellaneous expenses	31,80,886.79	6,25,360.35
<b>Total</b>	<b>5,93,41,481.50</b>	<b>5,15,29,274.15</b>





Elgi Compressors Do Brasil Imp.E.Exp LTDA  
Schedules to the Balance Sheet as at March 31, 2024

38(a) Trade receivables- Ageing

Particulars	Not due	Outstanding for following periods from the due date				Allowance for doubtful debts	Total
		Less than 6 months	6 months - 1 year	2-3 years	More than 3 years		
As at March 31, 2024							
(a) From related parties (Parent & Subsidiaries controlled by the Parent)	24,89,92,787	8,65,305	1,42,080	-	-	-	25,00,00,172
(b) Others							
(i) Undisputed Trade Receivables- considered good							
(ii) Undisputed Trade Receivables- which have significant increase in credit risk							
(iii) Undisputed Trade Receivables- credit impaired							
(iv) Disputed Trade Receivables- considered good							
(v) Disputed Trade Receivables- which have significant increase in credit risk							
(vi) Disputed Trade Receivables- credit impaired				16,42,964			
As at March 31, 2023	24,89,92,787	8,65,305	1,42,080	16,42,964	(14,28,663)	2,14,301	25,02,14,473
(a) From related parties (Parent & Subsidiaries controlled by the Parent)							
(b) Others							
(i) Undisputed Trade Receivables- considered good							
(ii) Undisputed Trade Receivables- which have significant increase in credit risk							
(iii) Undisputed Trade Receivables- credit impaired							
(iv) Disputed Trade Receivables- considered good							
(v) Disputed Trade Receivables- which have significant increase in credit risk							
(vi) Disputed Trade Receivables- credit impaired				3,70,107			
	13,75,67,645	2,48,627	-	24,67,333	(24,67,333)	-	13,81,86,380
				28,37,440	(24,67,333)		13,81,86,380

38(b) Trade payables- Ageing

Particulars	Not due	Outstanding for following periods from the due date of payment				Unbilled	Total
		Less than 6 months	6 months - 1 year	2-3 years	More than 3 years		
As at March 31, 2024							
(i) Related parties (Parent & Subsidiaries controlled by the Parent)	10,11,10,522						10,11,10,522
(ii) Others	2,38,99,055	15,44,784	-	-	-	-	2,54,43,840
	12,50,09,578	15,44,784	-	-	-	-	12,65,54,362
As at March 31, 2023							
(i) Related parties (Parent & Subsidiaries controlled by the Parent)	13,28,83,045						13,28,83,045
(ii) Others	1,12,39,256	5,57,024	2,22,555	4,69,037			1,24,87,872
	14,41,22,301	5,57,024	2,22,555	4,69,037			14,53,70,917





*Elgi Compressores Do Brasil Importadora E Exportadora Ltda*  
*Memorandum of Work Performed for the year ended March 31, 2024*

**Addressee** To Price Waterhouse Chartered Accountants LLP

**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 Inter-firm Letter of Instruction ('Instructions') dated March 22, 2024.

**Scope Of The Work Performed By Us**

The scope of the work performed by us on the interim financial information of Elgi Compressores Do Brasil Importadora E Exportadora Ltda was in accordance with the Instructions dated March 22, 2024 received from you.

**Identification Of Financial Information Being Reported On**

**Report Identifiers** : Financial Statements for the period ended March 31, 2024

**Financial information** : Currency used - INR in millions

Description	Quarter ended			Year ended	
	Mar 2024	Dec 2023	Mar 2023	Mar 2024	Mar 2023
Income	218.42	158.01	103.32	714.81	575.30
Profit after tax	54.94	38.60	68.58	169.59	169.12
OCI net of tax	(8.37)	9.31	4.32	2.20	5.43
Total Assets				555.34	473.41
Total Equity				315.41	143.62

**Analytical procedures**

We have included the balance sheet as at March 31, 2024 and the income statement for the period ended then including comparative figures and there are no significant fluxes noticed:

- In respect of Income statement accounts – QE March 2024 vs. QE December 2023 & QE March 2023: YE March 2024 vs. YE March 2023.
- In respect of Balance sheet accounts – Balance as at March 31, 2024 vs. Balance as at March 31, 2023.

**Laws And Regulations**

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

**Fraud**

No instances of fraud requiring your attention were noted.

**Significant Risks And Our Responses**

No significant risks identified

**Indicators Of Management Bias**

No indicators of management bias were detected by us.





***Significant Matters***

Nil

***Key Audit Matters (KAMs)***

Nil

***Summary Of Uncorrected Misstatements***

No uncorrected misstatements were noted.

***Schedule Of Review Adjustments***

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

***Summary Of Significant Control Deficiencies At The Component Level***

No significant control deficiencies were noted.

***Related Parties***

We confirm that the related party balances as furnished by the component team (as attached as annexure 1 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.

***Compliance with Group Accounting Policies***

We have ensured that the financial statements and financial results of ELGI Compressors Do Brasil Imp. E. Exp. Ltda have been drawn up in accordance with the group accounting policies.

***Subsequent Events Procedures***

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

***Matters To Be Communicated To [Group Management/Those Charged With Governance]***

No specific representations to be included.

***Going Concern Status Of Component***

No items requiring your attention were noted

***Impact of COVID-19 pandemic assessment for the period***

Nil

***Government Grants***

Nil

***Litigation And Claims***

No items requiring your attention were noted.

***Review Report***

Please refer to our attached review report.

***Compliance With Ethical Requirements***

We confirm that we comply with the Code of Ethics, issued by the Institute of Chartered Accountants of India, in relation to the work carried out on the component.





*Other Matters*

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 22, 2024.

For **RJC Associates**

Chartered Accountants

Firm's Registration No: 003496S



R. Jeyachandran

Partner

Membership No: 021848





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 March 31, 2024

From Entity - To Entity	Entity 1	Entity 2	BS/PL	Elimination Type	Account Code	Account Name	Trading DR Abonant	Trading CR Abonant	Trading	Subsidiary Name	Entity Name
ELGI-BRAZIL	ELGI	BRAZIL	BS	Debtors-Creditors	2102020002	Elgi -Trade		46,15,055	BRL	22-Trade payables	Other creditors(TP)
ELGI-BRAZIL	ELGI	BRAZIL	BS	Debtors-Creditors	2102020003	Provision Gf		14,67,978	BRL	22-Trade payables	Other creditors(TP)
Rotair-BRAZIL	Rotair	BRAZIL	BS	Debtors-Creditors	2102020003	Provision Gf		10,530	BRL	22-Trade payables	Other creditors(TP)
ELGI-BRAZIL	ELGI	BRAZIL	BS	Debtors-Creditors	2102020002	Elgi -Non Trade (Warranty Notes)	15,310		BRL	22-Trade payables	Other creditors(TP)
USA-BRAZIL	USA	BRAZIL	BS	Loans-Borrowings	2201010003	Loan from USA			BRL	19(b)-Borrowings (Current)	- from others (Unsecured Loans)
USA-BRAZIL	USA	BRAZIL	BS	Loans-Borrowings	2201010004	Interest Accrual to USA		50,23,449	BRL	19(b)-Borrowings (Current)	Interest accrued due on current borrowings (Unsecured-Inter-Corporate)
ELGI-BRAZIL	ELGI	BRAZIL	PL	Income-Expense	4101010001	COGS/Purchase from HO	1,25,80,738		BRL	29-Cost of material consumed	Purchases(Tb Mapping)
Rotair-BRAZIL	Rotair	BRAZIL	PL	Income-Expense	4101010001	COGS/Purchase from other related F	3,06,192		BRL	29-Cost of material consumed	Purchases(Tb Mapping)
USA-BRAZIL	USA	BRAZIL	PL	Income-Expense	5105010006	Interest for the period to USA	1,03,418		BRL	33-Finance costs	Interest expense (other financing arrangements)
ELGI-BRAZIL	ELGI	BRAZIL	PL	Income-Expense	5301010001	Elgi -Non Trade (Warranty Notes)		91,974	BRL	35-Other expenses	After sales expenses
							1,30,05,658	1,12,08,986			

