Dear Sirs

Sub: Submission of presentation made at the Analysts / Investors Meet on 27/02/2020 as per Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation – 2015 – reg.

The presentation made at the Analysts / Investors Meet on 27/02/2020.

Kindly acknowledge the receipt and do the needful to update your records.

Thanking you,

Yours faithfully,

For ELGI EQUIPMENTS LIMITED

SHYAM VASUDEVAN
COMPLIANCE OFFICER

Encl: As above.
Analysts and Investors Meet

Thursday
27 February, 2020
Group History

LRG Naidu
Founder

- Born in 1894
- Worked as a ticket collector
- Started a bus company in 1918
- Built a fleet of 300 buses
- Started two airline companies in 1946
- All the businesses were nationalized between 1948 and 1960

The Next Generation

LG Balakrishnan  LG Varadaraj  LG Ramamurthi  LG Nityanand

Sons of LRG Naidu who moved the business from services into manufacturing in 1959 and built a group that is today over $500 Million in revenue
ELGi Leadership

Dr. Jairam Varadaraj
Managing Director

Ajit Singh
Director - PMMO

Jayakanthan R
Director - People, Systems & Strategy

Ragu Gunabooshanam
Chief Financial Officer

Sriram Srinivas
Director - Operations

Venu Madhav
Director - Technology

Chris Ringlstetter
President - Europe

David Puck
President - North America

Marcelo Lorena
GM - Brazil

Rajesh Premchandran
Director - ISAAAME

Ramesh Ponnuswami
Executive Director - COSEA, ATS
Global Presence

100+
Countries where ELGi does business

20
Countries with direct presence

03
Manufacturing countries

**Presence**
- 200 Distributors worldwide
- 800 Sales people worldwide
- 1200 Service people worldwide
- 1500 Employees worldwide

**Infrastructure**
- 5,000,000 Square feet of factory land worldwide
- 1,000,000 Square feet of factory space worldwide
- 100,000 Square feet of dedicated parts warehouse worldwide
Manufacturing Capability

>5 million sq ft of “Future-ready” manufacturing facilities

**COMPRESSOR FACTORY**
3 state-of-the-art manufacturing units in the world with high standards of quality and safety

**FOUNDRY**
Produces high precision grey and SG iron castings

**MOTOR MANUFACTURING**
State-of-the-art motor manufacturing plant to produce highly efficient and reliable motors for captive consumption

**PRESSURE VESSELS PLANT**
Produces pressure vessels meeting international standards.

**ELGi’s Globally renowned vendors**

Trademark of companies acknowledged
Comprehensive Portfolio

Air compressors across the spectrum

- **EN Series**
  - Encapsulated Screw Air Compressor
  - 2.2 – 75 kW / 8 – 469 CFM

- **EG Series**
  - Oil Lubricated Screw Air Compressor
  - 11 – 250 kW / 47 – 1612 CFM

- **OF Series**
  - Oil Free Screw Air Compressor
  - 90 – 450 kW / 572 – 2450 CFM

- **CG Series**
  - Centrifugal Compressor
  - 450 – 930 kW / 3000 – 5200 CFM

- **Oil Lubricated Recip**
  - Oil Lubricated Piston Compressor
  - 1.0 – 40 HP / 2.0 – 128 CFM

- **Oil Free Recip**
  - Oil Free Piston Compressor
  - 1.0 – 75 HP / 1.8 – 300 CFM

- **PG Series (Electric)**
  - Electric Portable Screw Compressor
  - 22 – 75 kW / 131 – 514 CFM

- **PG Series (Diesel)**
  - Diesel Powered Screw Compressor
  - 175 – 1500 CFM / 100 – 400 PSI

Complete end-to-end solutions and accessories

- Variable Frequency Drives
- Receivers
- Dryers
- Downstream Filters
- Drain Valves

For all industries and applications

- Automotive
- Textiles
- Pharma
- Rice and Pulse
- Leather
- F & B
- Healthcare
- Electronics
- Paper
- Manufacturing
- Oil & Gas
- Iron & Steel
- Mining
- Nuclear Plant
- Electrical
- Aviation
- Railways
- Construction
Vision and Brand Promise

VISION
Always be the choice everywhere

BRAND PROMISE
"Always Better"

CUSTOMERS
DISTRIBUTORS
EMPLOYEES
INVESTORS
SOCIETY
SUPPLIERS
### Select Customers - India

<table>
<thead>
<tr>
<th>Industry</th>
<th>Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auto</td>
<td>Cummins, Hero, Honda, Hyundai, Kia, Mercedes, Tata, TVS</td>
</tr>
<tr>
<td>Textile</td>
<td>Alok, Arvind, Dollar, Indo Count, kg Denim, Indus, LMW, Nahar, Raymond</td>
</tr>
<tr>
<td>Pharma</td>
<td>Medreich, Aristopharma, Dr. Reddy’s, IPCA, Mankind, Midas Care, Jubilant</td>
</tr>
<tr>
<td>Cement</td>
<td>ACC, Chettinad, Dalmia, Lafarge, Orient, Reliance, Ramco, Reliance Group</td>
</tr>
<tr>
<td>Iron and Steel</td>
<td>Goel TMT, Jindal, JSW, Kalyani, Monnet, Shyam, Tata Metaliks, Uttam</td>
</tr>
<tr>
<td>Power</td>
<td>Adani, Bhel, GAAR Energy, L&amp;T Power, NPL, NTPC, Reliance, Suzlon</td>
</tr>
<tr>
<td>FMCG</td>
<td>Hindol, Hatsun, Mother Dairy, Mother dairy, United Spirits, Shreyas</td>
</tr>
<tr>
<td>Plastics and Leather</td>
<td>Astra, Lakhani, Mirza, Polyca, Sinica, Silicon, Supreme, TATA Projects</td>
</tr>
<tr>
<td>Other</td>
<td>ABB, Bosch, HAL, IndianOil, Onec, Tata Projects, Thermax</td>
</tr>
</tbody>
</table>
Select Customers - Global
KEY UPDATES
Dr. Jairam Varadaraya, Managing Director

This is to certify that

Elgi Equipments Limited

has achieved outstanding performance by practicing
Total Quality Management
utilizing statistical concepts and methodology
based on the company’s excellent business
philosophy and leadership as demonstrated by
its senior management.

In recognition thereof, the Deming Prize
Committee hereby presents

the Deming Prize 2019
to

Elgi Equipments Limited

M. Nakano, Chairman

The Deming Prize Committee

November 6th, 2019
ELGi’s Journey to Deming Prize

Communication to Ando san on our willingness to challenge Deming

Ando san discussion with MD about challenging Deming prize

First discussion on Deming exam in Steering committee meeting

Communication to JUSE

Application submission for TQM diagnosis

Preparation meeting for TQM diagnosis

DTQMP submission - TQM diagnosis

TQM Diagnosis by Deming committee

TQM diagnosis report

Application submission for Deming exam

DTQMP submission - Deming Exam

Preparation meeting for Deming exam

Deming exam

ELGi won The Deming Prize

Commitment and collaboration across organization over 3.5 years
Oil Free Disrupted - AB Series

- Single Stage Compression
- Pressure up to 14 bar(g)
- Higher Efficiency & Reliability
- Quieter
- Lowest life cycle cost
- No Corrosion Possibility
- Inbuilt Water replenishment system
  No top-up water
- Inbuilt microbial inhibition system
  ISO 8573-7 Certified
- Drinking Water Quality
  Meets IS10500
- Quality of compressed air - Class “0” ISO 8573-1

Patented Design

ELGi
Oil Free Disrupted - AB Series

AB SERIES GLOBAL LAUNCH

CII DESIGN EXCELLENCE

won the 9th CII Design Excellence Awards 2019 in the category of Industrial Design: Capital Goods

CUSTOMER LIST

60+ orders, F&B, Pharma, Electronics, Auto etc
Piston Compressor – LD Series

**Existing**

- Standalone motor, compressor and fan driven by belts
- Mechanical controlled compressor operation
- Can be easily copied

**New**

- Simplex 3, 5 & 7.5 hP
- Duplex 10 (2*5) & 15 (2*7.5) hP

**Traditional Design**

- Integrated motor, compressor, fan
- Electronic control, zero downtime
- Difficult to replicate
- Efficient, compact, quieter

**Upgraded Design (Jan 2020)**
Motor Plant

- Total Investment – INR 182 Mn
- Of which, till date – INR 133 Mn
- Prod. commenced – Oct 2019
- Employees – 22
Europe Expansion

Headquarters in Waterloo, Brussels

Planned Headcount
Phase 1 : 55
Estimated by March : 36
Michigan Air Acquisition (Dec 2019)

- Located in Detroit, key geographical area identified in Project Nexus
- Distributor & specialist in maintenance / service: consistent with company’s strategy
- Michigan 4th largest US market for ELGi’s product segment
- Acquisition adds an important geography and provides scale synergies
FINANCIALS
Revenue Mix

Revenue

Compressors (90%) [PY – 90%]

Auto Equipments (10%) [PY – 10%]

India (53%) [PY – 56%]

ROW (47%) [PY – 44%]

SALES 2019-20E

ISAAAME 60%

AMERICAS 23%

COSEA 8%

EUROPE 8%
Sales Performance (INR Mn)

- Compressors - India
- Compressors - ROW
- Auto Equipments

<table>
<thead>
<tr>
<th>Year</th>
<th>Compressors - India</th>
<th>Compressors - ROW</th>
<th>Auto Equipments</th>
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<tbody>
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<td>2015-16</td>
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- Compressors - India
- Compressors - ROW
- Auto Equipments

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</tr>
</tbody>
</table>
Before GTM, India sales closely tracked capital goods IIP both directionally as well as in terms of growth rates.

Post GTM, India sales track capital goods IIP directionally, but sales growth rate at a premium to, and relatively insulated from recent de-growth in, capital goods IIP.
### Qualitative Comments – India

#### What we said
- Registering impressive growth overall in most segments
- Facing softening demand in one segment

#### Status & Actions
- Current economic slowdown* and delay in government finance clearances have impacted business, but mitigated by
  - Serving diversified industry segments
  - Introduction of new products
  - Increased market focus

* Capital Goods IIP YTD Dec growth: -12%
Qualitative Comments – Europe

What we said

• Hired leadership positions in Europe to accelerate investments and expand footprint

• Rotair continues to do very well in developing market for ELGi products in Italy

Status & Actions

• Leadership hiring completed

• Recruitment of next level regional sales and service organizations progressing as per plan

• Mid term business plan completed

• Rotair’s performance remains stable

• ELGi’s value proposition well embraced by dealers
Qualitative Comments – USA

What we said

• Crossed installed base milestone: 3000 machines

• Number of distributors increased by 10% helping increase geographic coverage and growth. Initiated GTM project in USA to accelerate top line

Status & Actions

• Installed base has grown to 4000+ machines

• Organic Initiatives
  • Own distribution branch & regional warehouse in LA, California to enter top 3 US markets
  • Established a JV for distribution in Seattle, Washington. In the process of expanding this model in other geographies

• Inorganic Initiatives
  • Shift from distributor to direct on portables
  • Acquired Michigan Air Solutions
# Global Market Outlook

<table>
<thead>
<tr>
<th>INDIA</th>
<th>EUROPE</th>
<th>USA</th>
<th>AUSTRALIA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cautious outlook as we wait for manufacturing activity to stabilize and start improving</td>
<td>Europe economy seeing offsetting forces and expected to have subdued growth</td>
<td>Moderate growth expected based on leading indicators including global trade uncertainties</td>
<td>Sluggish economic outlook: growth has recently slowed, stricter lending laws to constrain credit</td>
</tr>
<tr>
<td>India GDP growth expected to remain subdued for 2020-21, with possible uptick in second half</td>
<td>GDP growth is expected to remain stable for 2020-21</td>
<td>Election year dynamics expected to negatively impact capital expenditures due to “wait and watch” approach</td>
<td>Barring mining, most of the sectors are slowing down</td>
</tr>
<tr>
<td></td>
<td>Impact of Brexit to be evaluated</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year</td>
<td>India standalone</td>
<td>Foreign subsidiaries</td>
<td>Auto equipments</td>
</tr>
<tr>
<td>-----------</td>
<td>------------------</td>
<td>----------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>2015-16</td>
<td>1,300</td>
<td>117</td>
<td>297</td>
</tr>
<tr>
<td>2016-17</td>
<td>1,411</td>
<td>91</td>
<td>297</td>
</tr>
<tr>
<td>2017-18</td>
<td>1,761</td>
<td>151</td>
<td>340</td>
</tr>
<tr>
<td>2018-19 E</td>
<td>1,900</td>
<td>170</td>
<td>324</td>
</tr>
<tr>
<td>2018-19 A</td>
<td>1,929</td>
<td>158</td>
<td>306</td>
</tr>
<tr>
<td>2019-20 E</td>
<td>1,431</td>
<td>128</td>
<td>306</td>
</tr>
</tbody>
</table>
EBITDA BRIDGE (INR Mn)

Contribution %: 160
Incremental profit - Pulford: 67
Fixed Cost: (7)
Europe Expansion: (298)
Volume: (419)

EBITDA 2018-19 A: 1,929
EBITDA 2019-20 E: 1,431
Net Debt Position (INR Mn)

<table>
<thead>
<tr>
<th>Month</th>
<th>Net Debt Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar 2015</td>
<td>2,884</td>
</tr>
<tr>
<td>Mar 2016</td>
<td>2,179</td>
</tr>
<tr>
<td>Mar 2017</td>
<td>1,455</td>
</tr>
<tr>
<td>Mar 2018</td>
<td>1,572</td>
</tr>
<tr>
<td>Mar 2019</td>
<td>1,151</td>
</tr>
<tr>
<td>Dec 2019</td>
<td>2,468</td>
</tr>
</tbody>
</table>

Strategic Debt - 1,680

Acquisitions: ~ 1,000

Working Capital: ~ 300
## Net Debt Position (INR Mn)

<table>
<thead>
<tr>
<th></th>
<th>Apr - Sep 2018</th>
<th>Oct - Mar 2019</th>
<th>Apr - Dec 2019</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Debt</td>
<td>1,572</td>
<td>2,242</td>
<td>1,151</td>
<td></td>
</tr>
<tr>
<td>Cash Profit*</td>
<td>406</td>
<td>844</td>
<td>584</td>
<td>1834</td>
</tr>
<tr>
<td>Capex</td>
<td>228</td>
<td>313</td>
<td>430</td>
<td>971</td>
</tr>
<tr>
<td>Working Capital</td>
<td>322</td>
<td>560</td>
<td>478</td>
<td>240</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>526</td>
<td>993</td>
<td></td>
<td>1,519</td>
</tr>
<tr>
<td>Closing Debt</td>
<td>2,242</td>
<td>1,151</td>
<td>2,468</td>
<td></td>
</tr>
</tbody>
</table>

* net of dividend
<table>
<thead>
<tr>
<th>#</th>
<th>Feedback from the Analysts &amp; Investors</th>
<th>ELGi’s response</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Would like to have more details and time for assembly plant tour.</td>
<td>We have provided 2 hours for factory tour last year. This can be increased to 3 hours this year.</td>
</tr>
<tr>
<td>2.</td>
<td>The focus on future outlook need not discuss the exact financials. The forecast is a function of so many things, beyond your control that the discussion on financial projections is not useful.</td>
<td>Numbers shown are an aspiration/target set by the company for the near to mid term. However, understandably, these numbers are subject to various factors both external and internal.</td>
</tr>
<tr>
<td>3.</td>
<td>Plan the conference in Mumbai.</td>
<td>We prefer Coimbatore to be more convenient for factory tour arrangements, showcasing our products, and for better understanding of the business model. Moreover, for the last couple of years, we received good response from the analysts and investors across India from leading firms for the event in Coimbatore.</td>
</tr>
<tr>
<td>4.</td>
<td>A brief film (in each factory) will enhance understanding prior to the actual plant visit.</td>
<td>Will be presented from next year</td>
</tr>
<tr>
<td>5.</td>
<td>Show the actual deviations from your previous targets with reasons.</td>
<td>Presented</td>
</tr>
<tr>
<td>6.</td>
<td>Country and market share wise estimate of growth be provided.</td>
<td>We have communicated in analysts calls that such market share data is not available</td>
</tr>
<tr>
<td>7.</td>
<td>Please attend investor conference (organised by analysts/investors).</td>
<td>We can consider this as appropriate.</td>
</tr>
<tr>
<td>8.</td>
<td>Start disclosing Elgi sales outside India, every quarter for investors to appreciate the traction company is getting.</td>
<td>We are disclosing revenue mix on an annual basis for India and ROW and would like to continue the same</td>
</tr>
</tbody>
</table>
Thank You