



February 25, 2023

National Stock Exchange of India Ltd.
Exchange Plaza,
C-1, Block G Bandra Kurla Complex
Bandra (E)
Mumbai - 400 051

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

Through: NEAPS

Through: BSE Listing Centre

Dear Sir/Madam,

**Subject: Audio recording link and presentation of the Annual Analysts and Investors Meet 2023
Scrip Codes: NSE - ELGIEQUIP / BSE - 522074**

In continuation to our letter dated February 8, 2023, the audio recording link of Annual Analysts and Investors Meet 2023 held on Friday, February 24, 2023, at 4.00 PM is available on the Company's website at <https://www.elgi.com/in/wp-content/uploads/2023/02/ELGi-Analysts-and-Investors-Meet-24-Feb-2023.mp3>

A copy of the presentation made at the meeting is enclosed for your kind reference and records. The same is available on the website of the Company.

This is for your information and records.

Yours Faithfully,

For Elgi Equipments Limited

**S Prakash
Company Secretary**

Encl.: a/a

ELGI EQUIPMENTS LIMITED

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CIN: L29120TZ1960PLC000351



24th February 2023

Compressed Air Solutions for the Future

Disclaimer

This presentation includes forward-looking information, including statements concerning the outlook for our business. These statements are based on current expectations, estimates, and projections about the factors that may affect our future performance, including global economic conditions and the economic conditions of the regions and industries that are major markets for ELGi. These expectations, estimates, and projections are generally identifiable by statements containing words such as “believes”, “targets”, “estimates”, “plans”, “outlook” or similar expressions.

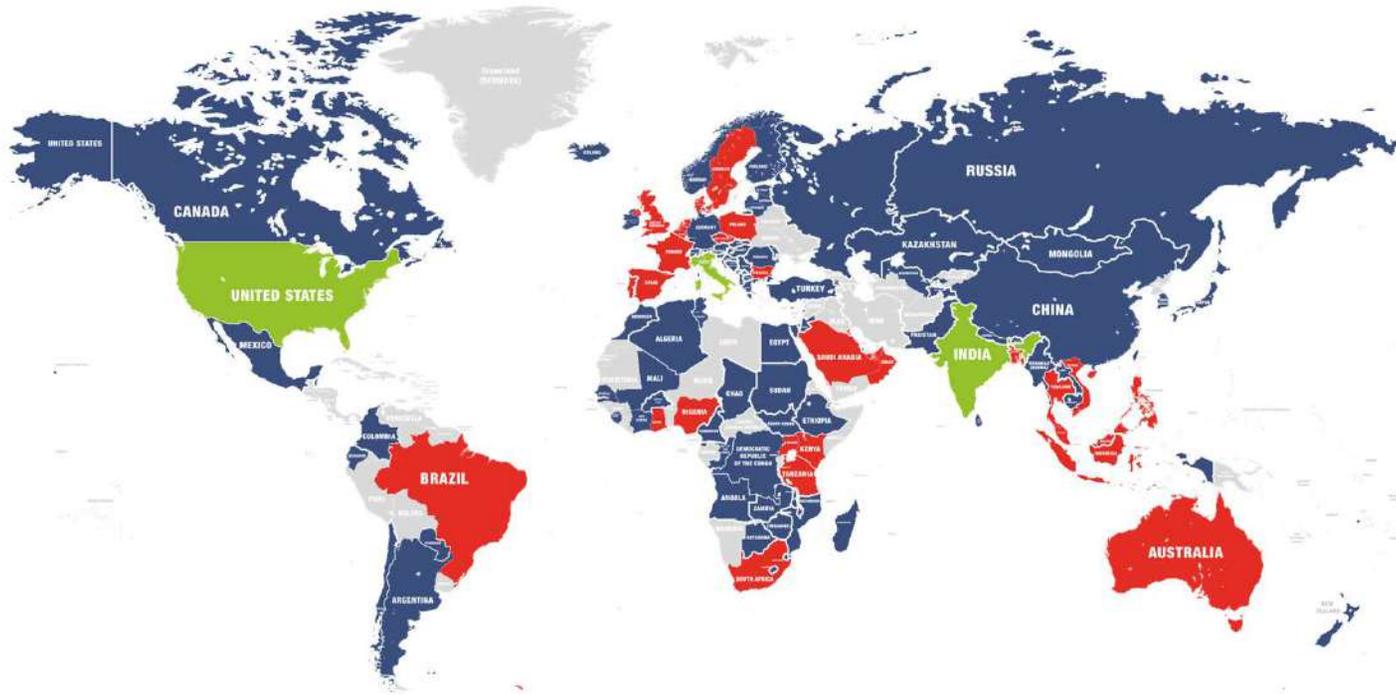
There are numerous risks and uncertainties, many of which are beyond our control, that could cause our actual results to differ materially from the forward-looking information and statements made in this presentation and which could affect our ability to achieve any or all of our stated targets. The important factors that could cause such differences to include, among others:

- Business risks associated with the volatile global economic environment and political conditions;
- Costs associated with compliance activities;
- Market acceptance of new products and services;
- Changes in governmental regulations and currency exchange rates, and ;
- Such other factors may be discussed from time to time in Elgi Equipments Limited’s filings with the Securities and Exchange Board of India (SEBI), including its annual report.

GENERAL

Recording of this presentation and subsequent interactive sessions in any form and means is prohibited. Participants are requested to strictly follow this advice. ELGi desires to give every participant a chance to speak; please plan your questions accordingly. Questions are welcome after the presentation is completed.

Global Presence



120+

Countries where
ELGi does business

28

Countries with
direct presence

3

Countries with
manufacturing
presence

Company Profile

Quick Facts

400+

Distributors
Worldwide

2000+

Employees
Worldwide

2Mn+

Compressors

5Mn+
Sq.ft.

Future-Ready
Manufacturing
Facilities

US\$303* Mn

Annual Revenue
FY 22

ELGi Leadership

Business



Jairam Varadaraj
Managing Director



Anvar Jay Varadaraj
President – North America



Chris Ringlstetter
President - Europe



Marcelo Lorena
General Manager - Brazil



Praveen Tiwari
MD – ATS ELGI



Rajesh Premchandran
Director - ISAAME



Ramesh Ponnuswami
Executive Director - OSEA

ELGi Leadership

Corporate



Bheem Singh Melchisedec
Director - Operations



Jayakanthan R
Chief Financial Officer



Sriram Srinivas
Director – Special Projects



Venu Madhav
Director – Technology



Global Manufacturing Footprint



5+ Million Sq. Ft.
of "Future-ready"
Manufacturing
Facilities



Global Manufacturing Footprint

Complex Castings

ELGi Foundry
Produces high precision grey and SG iron castings



Precision Machining

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



Efficient Drives

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



Securely Welded

Produces pressure vessels meeting international standards



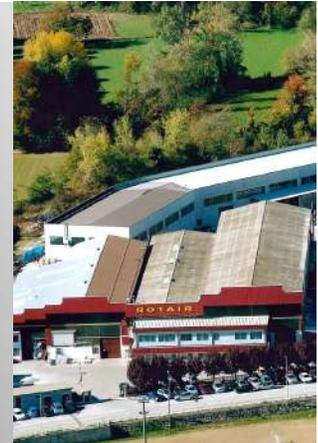
Quality Assured

Every air compressor from the assembly plant delivers industry-leading quality and best-in-class efficiency to customers worldwide.



Efficient Solutions

Rotair SPA, Italy designs and manufactures portable compressors, multi-functional dumpers and hydraulic breakers.



Factory Tour



Key Events



Key Product Launch

Launch of high-performance and energy-efficient portable air compressors at EXCON 2022

ELGi unveils its electric-powered PG 110E and the diesel-powered PG 575 – 225 trolley-mounted portable air compressors at Excon 2022.

These new products deliver customer-centric benefits of reliability, low maintenance costs, high energy efficiency, and industry-leading productivity for drilling operations.

ELGi LD Series Launch



Key Product Launch

Launch of intelligent, energy-efficient LD Series two-stage, direct drive, duplex compressor with controller at INTEC 2022

ELGi unveils its 10 HP and 15 HP LD Series duplex controller versions that are future-ready with three intelligent compressor modes that customers can select based on their compressed air demand and utilization pattern.

The reliability quotient of the LD Series compressors has increased, with additional protection for both the motor and the top block.

ELGi LD Series Launch



Key Product Launch

'LD Series' direct-drive reciprocating air compressors introduced in Europe

ELGi Compressors Europe launches the '**LD Series**' range of lubricated direct drive reciprocating air compressors for the European market. The product was introduced at multiple trade shows across Europe.

With this new addition to the European portfolio, ELGi offers one of the most comprehensive offerings of compressed air solutions for European manufacturers across all sectors.



Technology Day



State of
The Future Art

ELGi Technology Day



ELGi's 'State of The Future Art' continues to drive futuristic technology and innovation

The 5th edition of Technology Day recognised the technology team's contributions and complex engineering achievements, with technology breakthroughs, knowledge-sharing sessions, and a product display.

ELGi employees worldwide participated in internal contests that encouraged out-of-the-box thinking and innovative ideation for product excellence.

Distinguished Speakers:

- Mr. Navneet Bhushan, Founder, and Director of Crafitti Consulting
- Prof. Ahamed Kovacevic, City University, London
- Professor V. Balasubramanian, Annamalai University
- Dr. Daniel William Davey, Rotor Design Solutions Ltd, UK

Global Employee Engagement and Community Initiatives



Community Wellness: *#whatsyourfinishline* challenge

124

Teams

1800+

Participated

27

Countries

The 4th edition of the *#WhatsYourFinishLine* global fitness challenge witnessed highest level of participation



85,648

Total Miles

The 21-day-long challenge, which culminated on the 6th of November 2022, saw 1874 employees and distributors across the globe come together for a common purpose; to improve overall wellness, spread awareness about physical fitness and mental well-being, and emphasize the need for a healthy lifestyle.

Community Wellness: Coimbatore Marathon 2022



ELGi and the Coimbatore Marathon celebrate 10 years of successful partnership



All proceeds from the marathon go to the Coimbatore Cancer Foundation, augmenting efforts to raise cancer awareness, besides improving cancer patients' and caregivers' health and well-being.

2000+ ELGi employees and their families participated in the Marathon.

Mental Health Program

Conducted to promote positive mental health and well-being in our workplaces around the globe.



We invited our employees across the globe to commit to a healthier mind - every day.

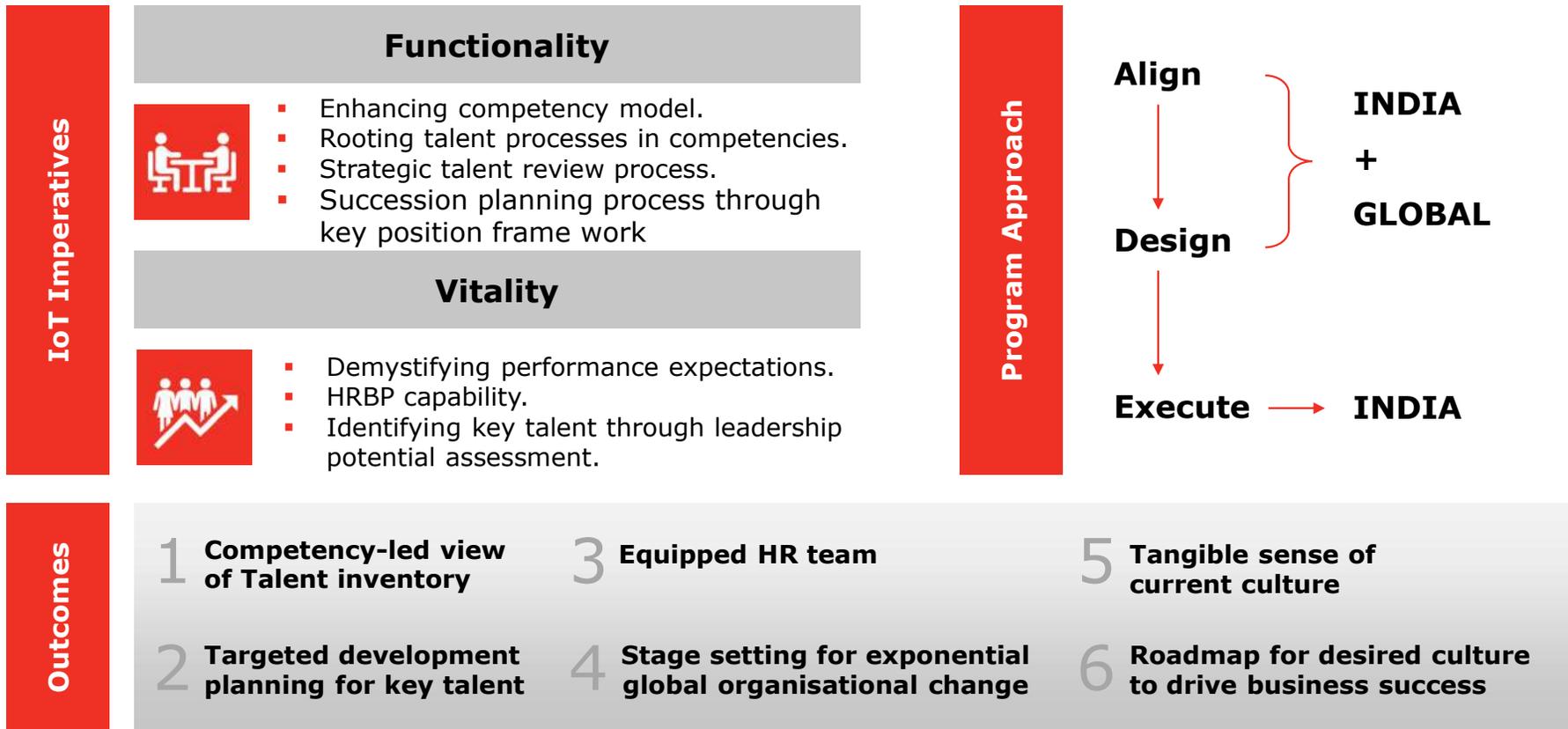
Our employees came together for a series of fun-filled activities and awareness sessions about the importance of mental wellness, followed by yoga sessions at our headquarters.





Key Initiatives

Integration of Talent



- Enhancing competency model.
- Rooting talent processes in competencies.
- Strategic talent review process.
- Succession planning process through key position frame work



- Demystifying performance expectations.
- HRBP capability.
- Identifying key talent through leadership potential assessment.

Project Update

Phase 1 - Align – (Completed)

Objective	Develop robust understanding of ELGi talent essentials through deep diagnostic		
Outcomes	Enhanced competency model	Data-driven culture assessment	Roadmap for desired culture
	Design principles for Integrated Talent Management		Socialization of competencies through learning series

Phase 2 - Design – (Completed)

Objective	Design the integrated talent management strategy		
Outcomes	Key Talent Framework	Key Positions Framework	Succession Planning process enablers
	Strategic Talent Review (STR) process design		'Potential' assessment design

Project Update

Phase 3 - Execute – (In progress)

Objective	Implement the integrated talent management strategy	
Outcomes	Filtering assessment for shortlisting talent pool	Development Centres for key talent
	Strategic talent review to agree on key talent readiness	Targeted development planning for key talent

Summary of Outcomes

IoT Coverage	<ul style="list-style-type: none">Of the 800+ white collar employees in India, 216 eligible managers underwent talent assessment. 119 employees have completed their Individual development plan (IDP) and other employees are in the process of completing their IDP.
Key Position & Succession	<ul style="list-style-type: none">No of key positions identified - 88<ul style="list-style-type: none">Successor readiness for short term - 88Successor readiness for Mid to Long term - 40

Project COSMOS

ELGi had initiated project COSMOS in FY22 to optimise material and other variable cost elements to unlock savings

To unlock cost savings of **3%** of FY21 standalone revenue.

30
Cost Categories

~ ₹7000Mn
Annual spend

Duration

10
months

Phase 1
Diagnose & Design

Phase 2
Implementation

Approach

Collaborative full time team with **ELGi and EY** members

Structured governance mechanism

TARGETED BENEFITS

₹ 300 - 400Mn
Savings

- Continuous improvement culture
- Enhanced procurement and sourcing efficiency
- Data driven decision support
- KPI led team

Project COSMOS Update

ELGi had initiated project COSMOS in FY22 to optimise material and other variable cost elements to unlock savings



Benefits

Estimated Annualised cost saving achieved ~₹300Mn

Process standardisation

Key IT integrated processes developed to sustain the benefits

- 1) Zero Based Costing
- 2) Share Of Business
- 3) Weight master
- 4) Master data management
- 5) Supplier pricing approach

Sourcing efficiency

Sourcing efficiency enhanced through following approaches:

10 new suppliers inducted for key categories to mitigate risk of single source.

Future plan

Cost optimization is a continuing area of focus with dedicated resources.

Digital Transformation – Our Context

What we do



DX journey to enhance stakeholders' experience

What we improve



DX journey to improve the capability & performance of the organization

How we do



Prioritize and demonstrate quick wins - experiment, start small and scale fast

Where we start



Start with India and take it global

What we Achieve



DX journey to be the key enabler for our aspiration (CK2)

Key Objectives of Digital Transformation function



To make
Digital Transformation
a **key enabler**
for achieving
Mid term goals and **aspirations**



- 
- To **Improve Digital Quotient** of the organization
 - To **support digitalization** of business processes
 - To create and **support Digital innovation Eco System.**
- 

Digital Transformation (Dx) Road Map

Sell, Envision, Assess, Educate & Embed. – Roadmap for data driven transformation

- Gartner ¹

Wave 1 (FY 23-24)

1. Drive awareness and ideation workshops to identify initiatives aligned towards SBP
2. Experiment & finalize minimum 3 "start small" projects per BU
3. Hand hold & taste success in minimum 1 "start small" projects per BU
4. Assess current level of digital maturity for key functions in each BU
5. Develop Eco System
6. Reward active experiment's, "start small" projects and celebrate "start small" success stories.

Wave 2 (FY 24-25)

1. Develop DX vision aligned towards SBP and value propositions / KPI Improvements
2. Scale up successful "Start Small" projects minimum 1 project per BU
3. Hand hold & Taste success in minimum 3 "start small" projects per BU
4. Create plan & Implement 1 level improvement of digital maturity for key functions in each BU
5. Develop Eco System & Internal competency
6. Reward active experiment's & "start small" projects as well as celebrate "start small" & "Scale up" success stories

Wave 3 (FY 25-26)

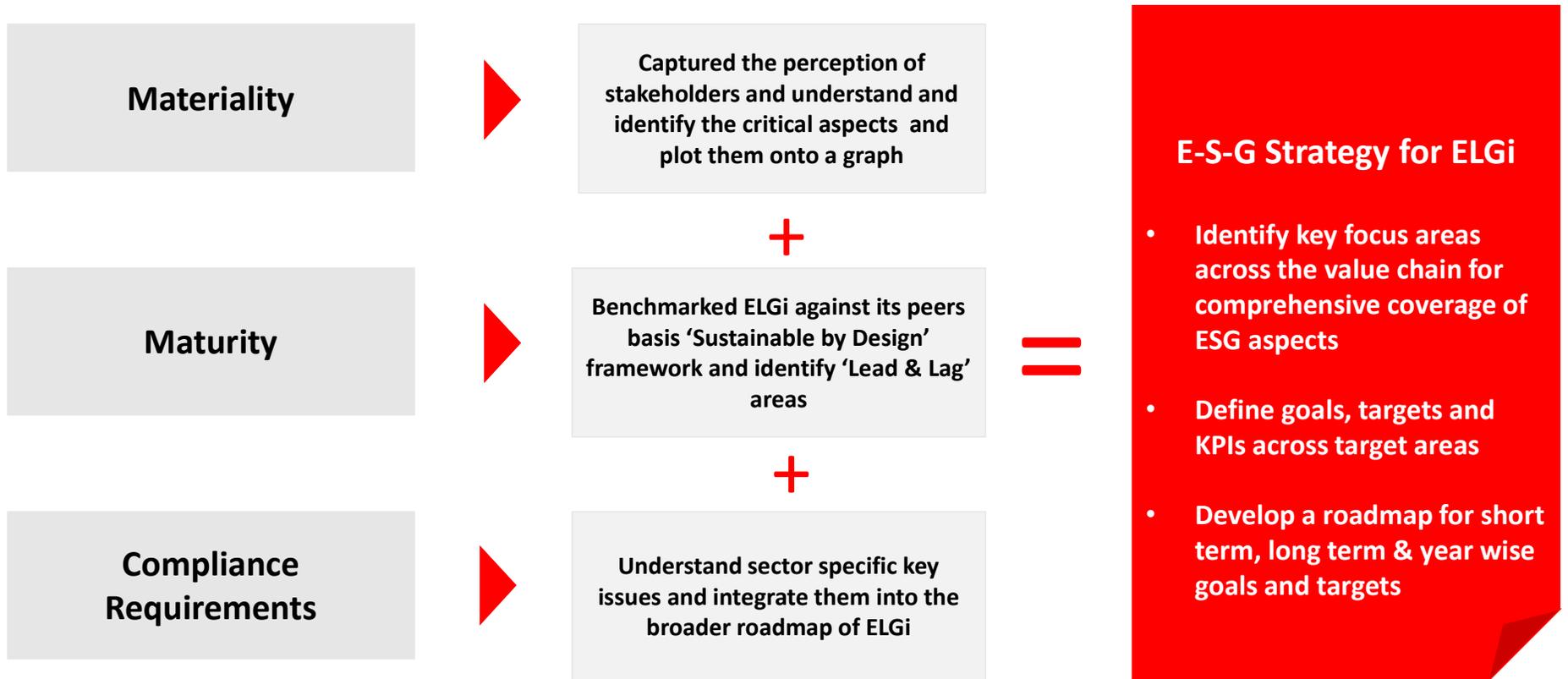
1. Embed DX vision into the system
2. Scale up successful "Start Small" projects minimum 3 project per BU
3. Hand hold & Taste success in minimum **n** "start small" projects per BU ("**n**" decided by BU)
4. Audit & Sustain improvement of digital maturity for key functions in each BU
5. Measure & Sustain internal competency
6. Reward more experimenter, successful "start small" projects & celebrate scaled up projects



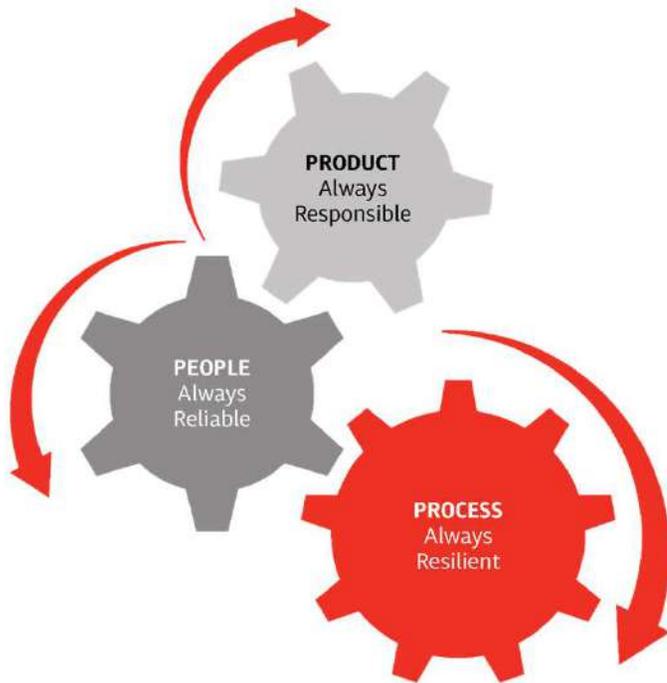
ESG Strategy

Environment, Social, and Governance

Pathway to ELGi's E-S-G strategy



Materiality Outcomes: Focus Areas and Management Priorities



Focus Areas	Management Priorities	Reporting Requirements	
 Resource Neutral Operations	 Product Stewardship	 Sustainable Supply Chain	 Economic Performance
 Occupational Health and Safety	 Human Rights	 Confidentiality	 Brand Strategy
 Training and Talent Development	 Accountability	 Transparency	
 Customer Centricity	 Social Responsibility		

Key Focus areas and Management Priorities are based on the discussion and suggestion of ELGi's Leadership

ELGi's ESG Governance Structure

We have formulated a model for ESG governance, which encompasses a two-tier structure comprising our ESG Steering Committee, Functional Sustainability Champions and ELGi's Sustainability Leader.



ELGi Board

Oversight of company's ESG governance and provide inputs as required



ESG Steering Committee - Members of ELGi's Leadership Team

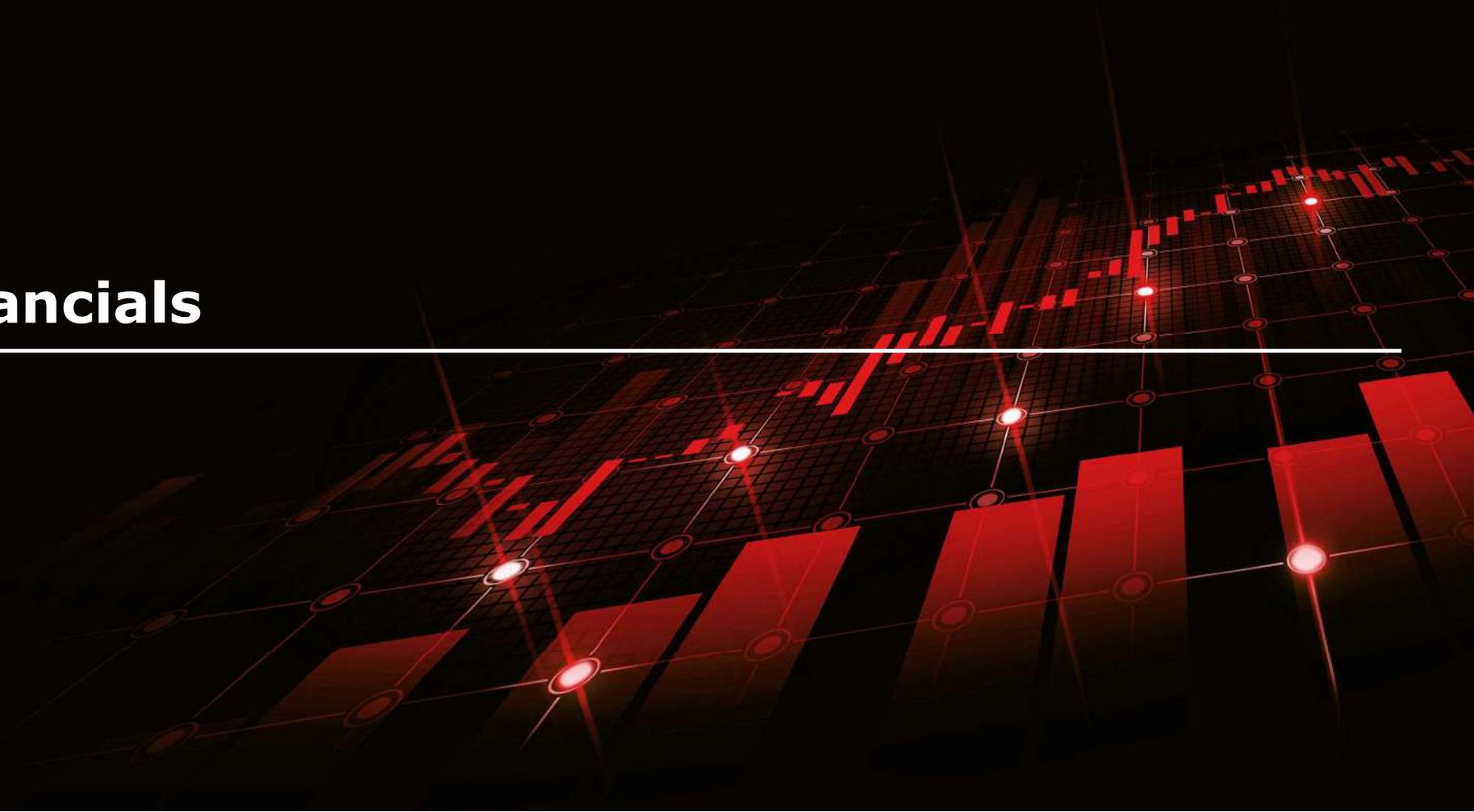
Active and multifaceted supervisory role in shaping the company's sustainability agenda; goal setting and review of ESG strategy and performance



Sustainability Champions - Representatives of ELGi's key functions

Ensure on the ground communication and implementation of sustainability initiatives, responsible for data review and support in identifying opportunities to reinforce the company's sustainability agenda

Financials



Revenue (INR Mn)



ISAAME

Growth %
8%

OSEA

Growth %
31%

EUROPE

Growth %
28%

North America

Growth %
33%

ATS

Growth %
13%

Across all Regions

Act FY22

25247

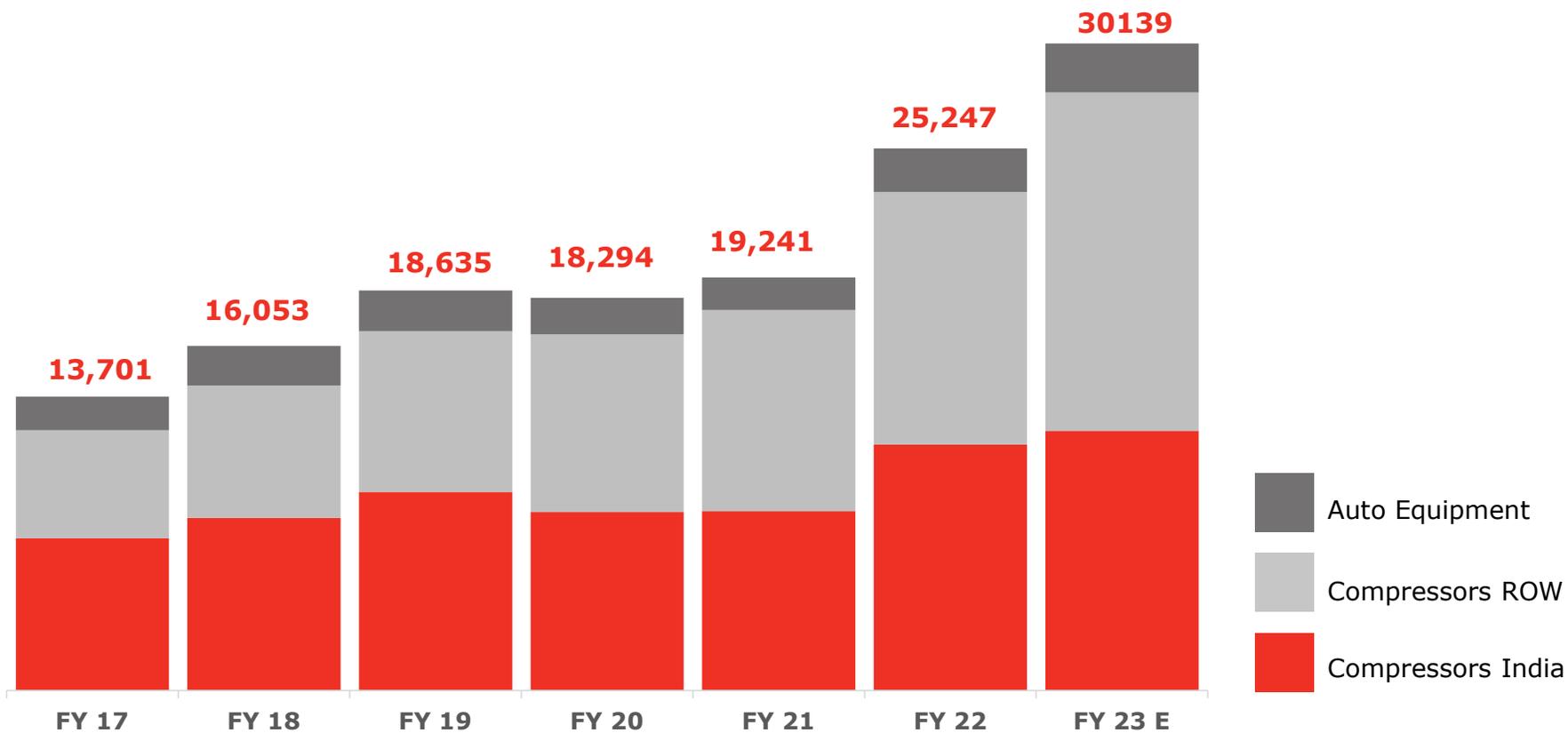
Est FY23

30139

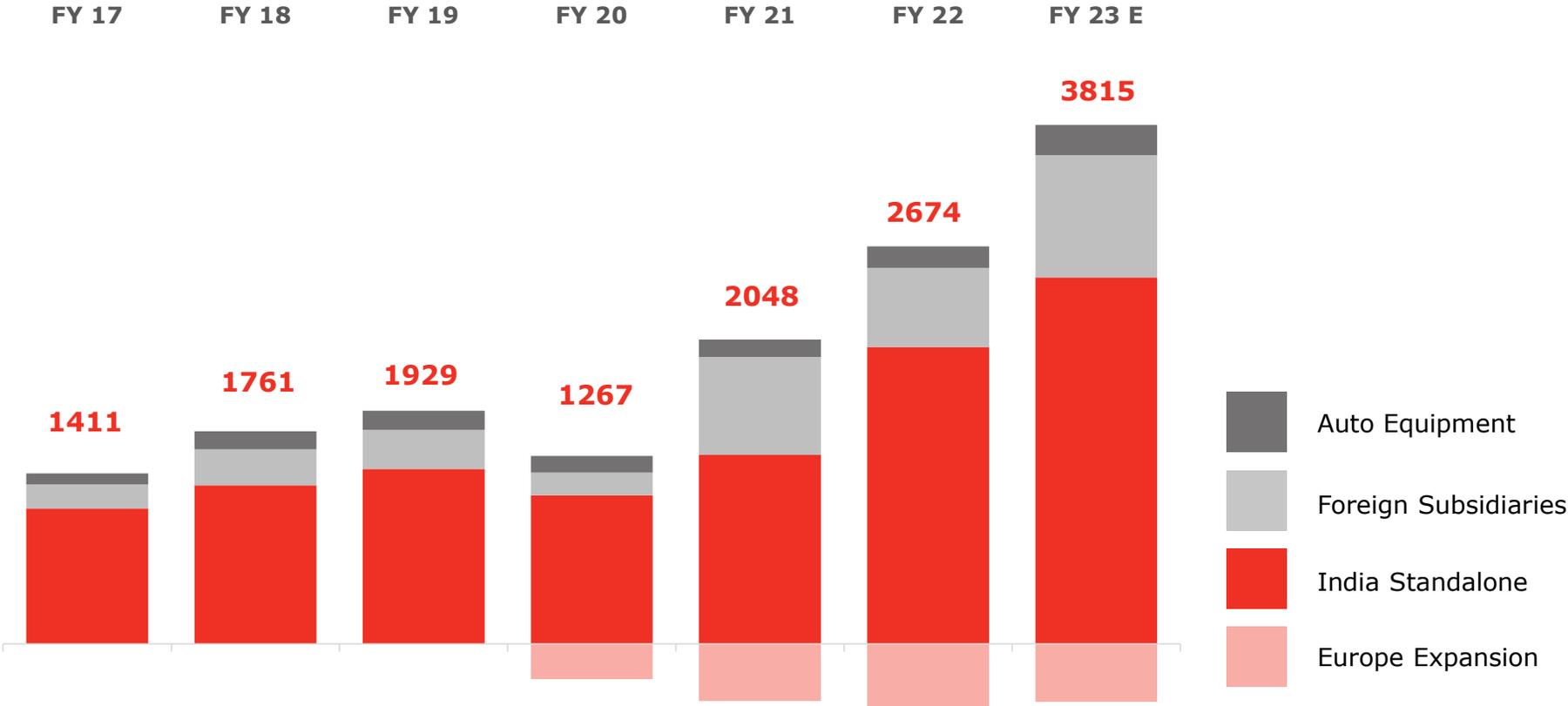
Growth %

19%

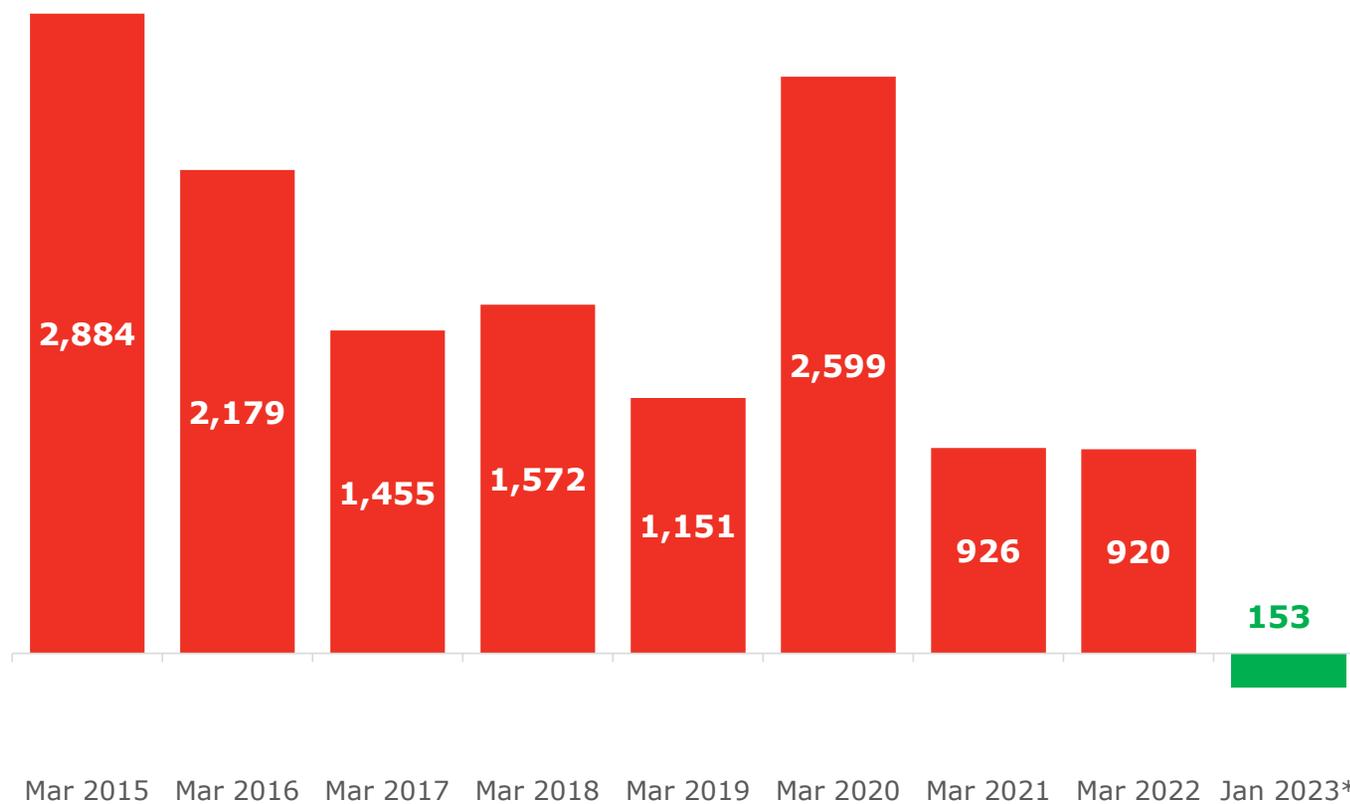
Sales Performance (INR Mn)



EBITDA (INR Mn)



Net Debt / Cash Surplus (INR Mn)



Mar 2022 – Jan 2023 Major movements

Cash Profit
+4793

Working capital
-1821

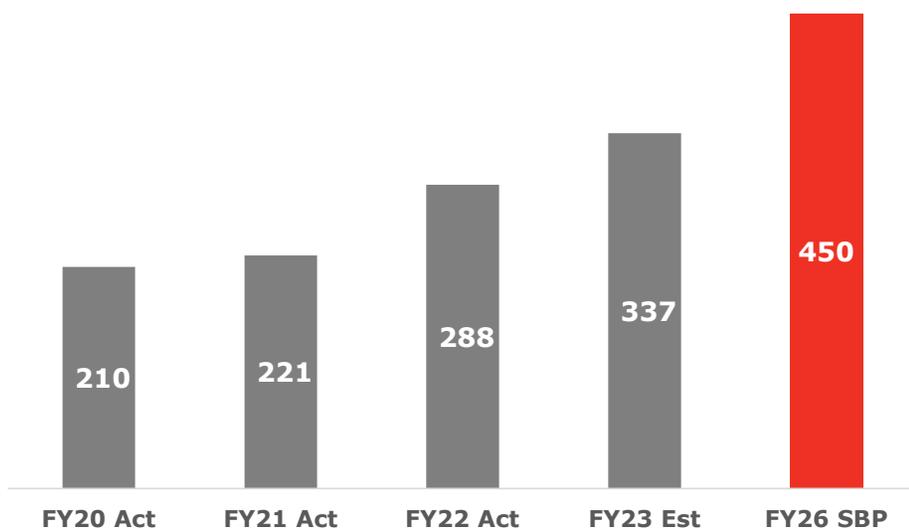
Dividend
-365

Tax
-865

Capex
-296

*Unaudited

Strategic Business Plan (SBP) - Compressors



SBP Goals

Revenue

USD 450 Mn | 10% CAGR

India / RoW

40/60 | 7% / 13%

~2/3 of the growth from RoW

EBITDA

16% | 13.7% FY23E

ROCE (Return on Capital Employed)

30% | 28% FY23E



Business Region Presentation – North America

ELGi North America – Overview



Malcolm Lindsay
SVP - ELGi Industrial Business



Zeke Hendrix
VP - ELGi Portable Business



Scott Sutton
VP - ELGi Distribution Operations



Greg Hood
VP - Pattons Medical



	Industrial Compressors	Portable Compressors	Pattons	MAS	Pattons Medical
Employees	40	12	66	24	28
FY'23E Revenue Growth	50%	39%	21%	27%	21%

ELGi North America – Overview

Memorable Milestones

2012

- ELGi Launched ELGi North America, based in Charlotte
- Acquired Pattons & Pattons Medical

2013 Opened new Headquarters in Charlotte

2015 Moved ELGi to Continental Blvd

2018 Started development of our 'Nexus' go-to-market strategy

2019

- Co-founded Evergreen Compressed Air in Seattle starting our joint venture initiative
- Launched The AB Series Disrupting the oil free market
- Co-founded Pattons CA in the strategically important Los Angeles market

- Opened West Coast warehouse to better serve North America from two locations
- Acquired Michigan Air Solutions to penetrate a key compressor sales state

2020

- Co-founded CAST in the key Houston market
- Expanded into the Portable compressed air market acquiring NA rights from FTG
- ELGi moved Headquarters to Steele Creek
Co-founded G3 Industrial Solutions in KC

2021 Co-founded Gentex in Dallas

2022

- 10,000th Elgi equipment installation
- Passed \$25M in Industrial revenue

ELGi Industrial Business



10

Years in Market

**Clear GTM
Strategy**

100+

Channel Partners

**Customer
Service**

~4%

Market Share

**Strong
Team**

ELGi Industrial Business – Strategic Priorities

Market Outlook

- Expect strong demand
- Increasing demand for energy efficiency and oil free compressors
- Channel consolidation

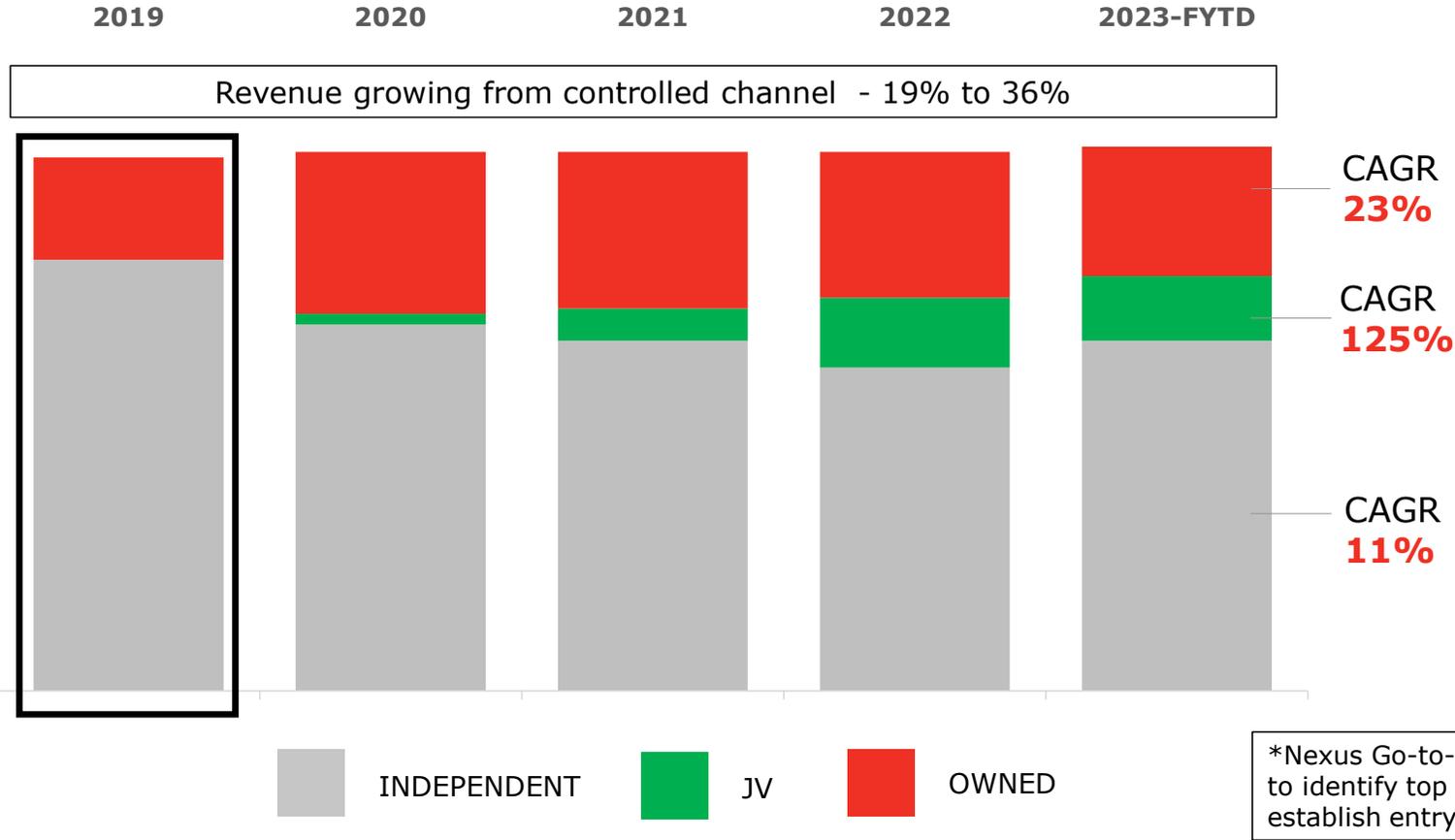
Our Goals

- Double digit market share by FY'26
- Drive profitability via aftermarket
- Increase control over channel and GTM
- Focus on larger machines and oil free

Strategic Priorities

- Focus on scalable distribution in Top 40 Markets
- Investing in Oil Free organization

ELGi Industrial Business – Channel Evolution*



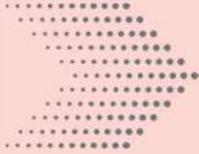
ELGi Industrial Business – Joint Venture Strategy

Overview

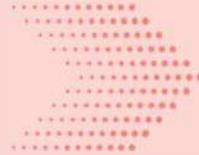
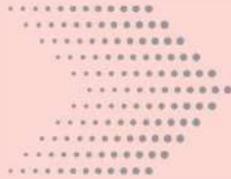
- Partner with compressed air veterans to fund and support the setup of distribution businesses in top 40 markets
- Partners buy out ELGi share over a period of time with repayment
- Strong alignment of interests – JVs must prioritise unit sales to generate future aftermarket
- Highly efficient allocation of capital



Joint Ventures Insights	SEATTLE – Evergreen Compressed Air	LOS ANGELES – Pattons of California	HOUSTON – Compressed Air of South Texas (CAST)	KANSAS CITY – G3 Industrial Solutions	DALLAS – Gentex Air Solutions
Years in Operation	3.5	3	3	2.5	2
Top 40 Rank	20	1	5	11	4
Market Share	4.2%	2.5%	2%	7%	4.5%



New Products/ Upgrades



OF 90/OF 132/OF 145/OF 160 kW

Product Upgrade



- Best in class SPC
- Enhanced flow capacity
- Low noise
- Improved environmental protection
- Enhanced consumable life
- Protection from usage of spurious parts
- Built with smart controller capable of meeting industry 4.0 requirements
- Adaptable to the optional features - Heat Recovery System (HRS), Cold Weather Management System, Outdoor Protection System

EG 11 to EG 45PM

New Product

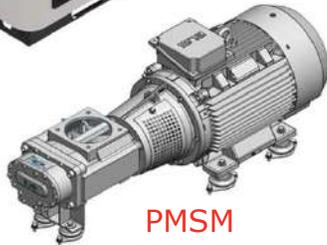
55 & 75kW Models Under Development



NEURON-IV



AiR~ALERT



PMSM



iTM

Permanent Magnet Synchronous Motor (PMSM) -

Enhanced and efficient capacity control

- Reliable, Energy efficient up to IE7, High torque

Intelligent Thermal Management (iTM) optimal

temperature in various operating conditions and turndowns

- Improved SPC and oil life; Condensation prevention

AiR~ALERT – Industrial IoT for continuous monitoring

- Key Objectives: Failure prediction, Compressor insights, Remote monitoring
- OTA, Seamless Integration with ELGi IT systems

Neuron-IV – Better control and Performance

- 7" Color display with touch
- Powerful Controller with Microsoft AZURE RTOS
- Industry 4.0 ready
- Energy saving features- ASC, Pressure scheduling, Dynamic standby, etc

Compressed Air for Electric Vehicle

New Product

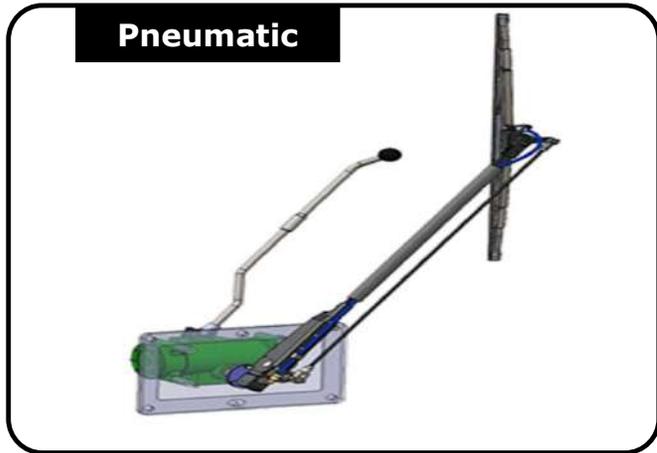


- Direct drive
- Compact and light weight
- Less vibration and noise

Variants		
Specification	Variant-1	Variant-2
FAD, lpm	240	360
Working pressure, bar.g	10	10
Power consumption, kW	2.2	3.7
Application	9m bus	12m bus

Electric Wiper for Railways

New Product



- Single speed system
- Noisy operation
- Limited life

- Multi speed system
- Precise speed and defined visibility
- Smooth operation
- Enhanced life

EQ Series 2.2 to 15kW

Range Expansion



- Products for value segment
- Mechanical control system
- Compact and modular
- Optional external dryer
- Designed with standard consumables

EQ Series 11 to 22kW

Range Expansion

Premium Product

Price Sensitive Product



- Products for value segment
- Meets global requirements
- Visually differentiated from EG series
- Compact and Modular – skid and tank mount
- Optional integrated VFD and external dryer
- Designed with standard consumables

LD India → LD Europe

Range Expansion



- CE certified package
- Star-Delta motor with IE3 equivalent efficiency
- Indigenous Star-Delta starter with integrated hour meter and emergency stop
- Soft start at any pressure
- Adaptable top block assembly with sandwich mounting to use standard Europe receiver
- Wheels in 3 HP and trans pallet strip in all models

PG 110E / PG 132E

Range Expansion



- Best-in-class SPC
- Enhanced productivity
- Low noise
- Improved environmental protection
- Enhanced consumable life
- Protection from usage of spurious parts

Description	Existing Models						New Models Developed in 2022-23	
	PG 22E	PG 37E	PG 45E	PG 55E	PG 75E	PG 90E	PG 110E	PG 132E
Power rating (kw)	22	37	45	55	75	90	110	132

Outdoor Protection Kit – AB Series

Feature Enhancement



Compressor

Compressor with
Outdoor
Protection Kit

- Protection from rain, sunlight, dust, winds and snow
- IP66 and NEMA4 compliant
- Adaptable in standard package
- Modular design across packages
- Aesthetically and ergonomically designed
- No impact on performance and reliability

Products Launched



F4 Alpha 75kW



PG 430 / 330



PG 850 150



NEURON-IV



AIR~ALERT

Products Under Development



**OA1/OA2 Alpha
- AIRCOOLED**



F5 SP 90-160kW



EQ EN (2.2-15kW)



**RR10100 / RR15100
RR10100 DMRC**

Feedback Received in 2022

S.No.	Feedback	ELGi's Response
1	The virtual interaction was "very good" and extremely helpful. However, the plant visit gives a lot of perspective and would be glad if we can hopefully schedule that next year.	Plant visits arranged for those who will be visiting for first time.
2	Can add how much we had invested and what was the likely savings from the same.	We continuously give updates on backward integration progress and benefits during quarterly analysts meet.
3	Can incorporate something like what's our market share in each segment in terms of categorization by HP/CFM. Which are the top 5 user industries each year and how this has moved etc.	Lack of publicly available market information and the risk of divulging competitive information prevents us from disclosing.

Feedback Received in 2022

S.No.	Feedback	ELGi's Response
4	Plant videos were good and elaborate, more inputs/ slide deck on segments/ applications of ELGi's portfolio, new growth areas and outlook would be appreciated	We have covered this as part of the investors' presentation.
5	Can help us with more quantitative data in terms of market share etc.	As explained in the past, reliable information on market demand is not available which makes it challenging for us to estimate market share.
6	Who are the major global competitors?	Atlas Copco, Ingersoll Rand and Kaeser.

Feedback Received in 2022

S.No.	Feedback	ELGi's Response
7	Where are we in the pecking order currently versus our ambitions?	Sixth.
8	Is there any new player from emerging market like Turkey etc. who have become aggressive and how we would like to tackle the same.	Kaishan from China is expanding its footprint. Turkish player - Dalgakiran is also trying to gain some foothold.
9	Which are our top 5 countries, industries or product segment in terms of HP/CFM.	India, North America, Europe, Australia, Middle East. Information on products segment is not provided being competition sensitive information.

Feedback Received in 2022

S.No.	Feedback	ELGi's Response
10	Would appreciate more details on global sales mix, market size, market shares and relative positioning of ELGi across regions. Australia was a good initiative this time.	<p>All information which are not competitive in nature and where the information is concrete, are covered in the investor's presentation.</p> <p>Further layer of information is not provided only when the reliability of such data is questionable and / or disclosing certain data is not good from a competition standpoint.</p>



ELGI
Always Better.

Thank you