



03rd March, 2025

National Stock Exchange of India Limited (NSE)
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Bandra (E), Mumbai - 400 051

BSE Limited (BSE)
Phiroze Jeejeebhoy Towers,
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NSE Symbol: ELGIEQUIP

BSE Scrip Code: 522074

Dear Madam/ Sir,

Subject: Transcript of Annual Analyst/ Investor Meeting 2025 held on February 27, 2025

In furtherance to our earlier intimation dated February 27, 2025 regarding the presentation of Annual Analyst/ Investor Meeting 2025 and pursuant to Regulation 30 read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed herewith the transcript of the Annual Analysts/ Investor Meet held on Thursday, February 27, 2025, at 04:00 PM (IST).

The aforesaid information is also being made available on the Company's website at <https://www.elgi.com/in/analyst-conferences/>.

The above is for your information and record.

Thanking you,

Yours faithfully

FOR ELGI EQUIPMENTS LIMITED

DEVIKA SATHYANARAYANA
COMPANY SECRETARY AND COMPLIANCE OFFICER

Encl.: as above

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ANNUAL INVESTORS MEETING -2025

MANAGEMENT: MR. JAIRAM VARADARAJ – MANAGING DIRECTOR.

MANAGEMENT: Loud the bike and I think it's a going a little bit. You could just tone it down a bit. Thank you. Still there. And you don't? It don't a bit

MANAGEMENT: Thank you very much for being here. I know you've had a long day. I hope it was worth the effort that you put in. We appreciate the time that you've spent looking at what we have. We can talk about it as we go along, so I'll quickly go through an overview of the company. The standard disclaimer so that we are not put to task by SEBI so we are trying to build a global company. We are getting there we have 600 distributors out of that, only about 60 roughly are in India so the balance are all outside the country 230 employees out of which, close to 400 are outside the country. Then the rest of the statistics are pretty straightforward Nothing. It's great. So, can you just still shut it down with some echo happening? So, I want to talk a little bit about why we exist as a company. I mean, this is something that's very close to our heart and we seriously believe that this is good for business as well. Profit is important. It's a very important driver, but I think we exist beyond profit for a purpose, right? And our purpose is called conscience in action. And what does it mean? It basically means that when you touch when you touch our stakeholders our customers? Our employees, our distributors, suppliers, investors and society put yourself on the other side and behave that way and be that way. Right. So that's the fundamental tenet of conscience in action. We find increasingly that when we are customers, we have very high expectations and when we are suppliers, we lower our standards and that is the hypocrisy, right. The same thing when you are when you're dealing with suppliers, you have a hypocrisy. You deal with distributors. There is a hypocrisy. So we want to get rid of that hypocrisy and become a good company. And the minute we become a good company, I think there is profit at the end of the tunnel yeah. So that's important to us and our brand promise that you've seen and most of our thing is always better. These are our values that we believe the practice of which is going to make us fulfil conscience in action when we connect with each of our stakeholders. So, as we move forward from, we started it this year, we will see the intensity of it picking up. This will get embedded very strongly in our policies, in our procedure and the behaviour of people, right? So far you can say it so that does it mean? That you are not living your values so far, I think honestly speaking not fully right. It was there, you know, but now we want to bring it to the centre of the existence, and that's going to be a big game changer. A lot of learning for us, a lot of change that we need to individually go through. But I think at the end of the day, that's good for everyone, yeah. We are present globally and whatever I said, we are going to do it globally and that's going to be the challenge. But I think it'll be an interesting challenge to do so. This is something that you already know. Our various subsidiaries in joint

venture. The last one is the latest that we have a license agreement for vacuum. We'll talk a little bit about vacuum later on. Our leadership team, we are going through a lot of changes. You will be meeting some of our new leaders. We are investing quite heavily in building competencies to take the company to the next level, right. So, what we are talking about is in the last 20 years, I think we built, we were overly focused on the market, the front end, the sales and a little bit on the back end, right. But I think what we need is fundamental capabilities and platforms on which we'll be able to grow and grow very efficiently and effectively. So, to be honest, when we did a review of what we have done over the last 15-20 years. We did, I think six or seven acquisitions. We entered multiple markets. I think we could have been a lot more efficient and effective with all this if we had had solid platforms that we had built right. For instance, our financial control systems, right. They all exist as country specific systems. Now, we got to integrate it so when we go there, when we go to a new country, a new acquisition, a new. We are able to put our systems that are on fundamental that are fundamentally sound and standardized, right? The same thing with it. Same thing with our digital platforms. So, all this is a new pivot for us, right? This is not something that happens that by just saying OK, we just do it, state it. But this is going to be a transformation that will take us a couple of years. And we are going to make investment. We'll come and talk about that. So, a little bit on the history of 1960 is when we were incorporated. We went public in 75. Various license agreements and developments on the product really a transformation started in 2010-12. That's when we started shifting the focus of the company. Towards markets outside the country and of course a lot of when you look back, you know, you forget the rearview mirror, you know, because you're looking at the front and driving it every once in a while, you pause, and you look back and say it's not bad. I mean, so we've done some reasonably good things. So, and this of course is very exciting for us, and we'll talk about that as well today. You've seen the facility. We'll continue to invest. You may have been told that we are in the process of shifting our city campus progressively over the last next probably six years. We will move them into one integrated campus two factories are being set up there. So that will make us even more efficient than what we are today. We have done selective integration backwards 2-3 things that we have done is our foundry and you know I've always said foundry is not a financial play. We didn't do it for cost reduction. We, did it for quality. And that was a very critical investment. Looking back, we did that about 10 years ago. I can't tell you the value that we have derived in our competitiveness. In going global by virtue of having our own castings, the same thing we did with motors about 3-4 years ago, that was not just a quality play, it was also a risk sourcing risk as well as a cost. The sourcing risk came from the fact that we are buying Chinese motors just like our competitors. The last 15 years we've been buying them; quality is better than the Siemens motor that we buy in India in terms of defect rates. Landed cost is 30 to 50% low right now. The where is the risk. The risk was when we opened the motor, and we did a ground up costing based on basic raw materials cost it did not add up. There was something missing and that mystery was the risk, right? When will that mystery go away? And therefore, will leave us

vulnerable. So, we said if we can use technology. To build motors that are far superior than the Chinese machines, both in efficiency as well as quality, but at a lower cost than the Chinese then we will see whether we can do it. So, we put a team together. We didn't make any investments other than some testing equipment. One, and we built the first set of motors, and they were very good. That gave us the confidence that we can go ahead today that's become another huge strategic pillar for us, a competitive advantage. And we'll present a little bit about the motto plan and what it's going to look like. Pressure vessels we make because of a safety issue, right? We can't afford to have any failures, especially an Indian company in world markets, so. We got our Deming this for us Deming is not the end. It's a journey, right? It's a milestone that we have crossed. We have a long way to go. This is another thing that we are investing in into the future. We want to make that philosophy of Deming rather than the letter of Deming. Yeah. Get deeply embedded in the company that will not only improve our purpose live our purpose but also enhance our profit. There is huge opportunity for us to improve on all dimensions and this is going to help us. Product offerings we that's this is the advantage of the compressor business. We every industry needs compressed air and therefore compressors. So, we don't have any one industry giving contributing to more than 2- 3% of our revenue. So that risk is very, very low. We are agnostic of anyone specific industry, so that's the advantage. The behaviour of 80% of the customers. The other 20, which is beginning to become a little bigger in India, is on price, but 80% of the customers buy on efficiency and we are right up there in the world as one of the most efficient compressors, right? So that gives us that. So for us now, that's table stakes now we are looking at what's next, what's beyond that, right? And we'll talk a little bit about that as well. So full range of machines for various segments of customers, both on the industrial side and on the portable side reciprocating and the high-volume machines accessories this is another area strategic that is important? We have introduced dryers .In our own brand we manufacture earlier, we hand dryers that were sourced. Now we build our own dryers, and that range has been expanded. Now on refrigeration dryers, we will get into also desiccant dry. So that's an area that we will focus on. In the future. Railways is a business India centric. It's not something that is you want to jump up and talk about every day in the morning, but it is a reasonable business that happens. It's government centric, so to that extent it's a risk, but slowly it is changing with government looking to offload the manufacturing of locomotives too. Private enterprise and we won the 1st order. First locomotive tender that went to Siemens. We won the tender from Siemens, so that's a good thing that is happening and that project is doing exceedingly well, and this could be a segue for us to get into. Locomotive OES worldwide. Go. These are some of our accessories that we do. Our ESG is part of our purposes to society. We do a lot of it, and I think this is something that I should be very careful now to talk about. Now in America, this is not a good thing anymore, right? So we have to sort of when we go and do this in America, we have to close this you know, this is unfortunate, but we'll definitely not let it go. Yeah, we may not be very visible and vocal about it, but we'll definitely not let it go. Well. So, this is. We messed up.

You know, we got your feedback last time. We don't have to wait until the next meeting. We could have given you the feedback. All the responses are there. We could have gotten a week's time, so we will do that in from this meeting onwards. We'll get your feedback within a week's time, right? So, this was the first question from 11 new slide that highlights manufacturing advantages. I think I talked a little bit about it. About why castings? Why we build our own mother machines? You see it when you visited a factory? It's fundamentally the idea is use technology to reduce cost, not use cheap Indians to reduce cost, right? In fact, we are going exactly the opposite. As part of living up purpose. Nobody wants to be cheap, so if I'm the CEO of the company and if I don't want to be cheap. Then I should make sure my employees are not cheap, right? It's fundamental, right? So how do you build an architect company that is expensive with people but competitive in the front end? Yeah. And I think that's the answer is technology. How can we deploy and that's what we do in various parts of our backward integration. Tough call on competitive in spite versus transparency. So good site insight. So, thank you for that. Breakup of Global Indian screw and product. It's a little competitively sensitive, so you'll excuse us. We will not be providing that, yeah again, we are presenting some sub sectors of the different compressors. We give it to you. We could not see the compressor plant. I think this time around it was organized, right? The assembly lines, not the greatest compared to the other one, but we're getting them yeah. The next plant will be very different. Plan, to meet in Mumbai. We actually wanted to do it this time, but we had some logistics issue, but I guarantee you next time we'll be in Mumbai. I'll definitely will make sure it happens, yeah. Make it a single day event. I think we have done it now. Hopefully the flights will be like Karma for everyone is good and you catch your flights back home. Again segment. Splits vacuum splits. Product splits are all competitive. On regions, this is going to be presented here and thank you for your wishes. So that's really the feedback from last time. We will make sure that this feedback gets to you this this time around within a week, so this is a rough split up in India, yeah. Globally, we don't capture it because a lot of it is in, in, in globally its distribution led and distributors don't share customer information and segment right, so. If you look at it, you don't see anyone large industry. Even if you take this this pie chart and you take it across years, it'll not be consistent, right? So, year on year, for instance, iron and steel and, for instance, cement in one year could be as high as 10% and another year it will just collapse, right? So, it's all about. Timing, yeah. Oil-free. This is a little bit more stable because the applications are all very specific. So far, pharma, food and beverage power and chemicals. These are the main segments that that are that are big consumers of oil free machines portable If you look at it, whatever is this again, it can become very large or it can shrink down to very small. Earlier, we lost our competitiveness. We have gained it fully back, right? So today we are a dominant player and if the market comes up, we are the preferred choice. This is this is which 24 right so.

SLIDE SHOW: At ELGI, innovation is more than just compressed air technology. It's about shaping experiences, building strong relationships, empowering industries worldwide. With a presence in over 120 countries, we're redefining reliability, efficiency and energy savings for businesses everywhere. Here's a quick recap of our commitment. Making an impact on the global stage from industry leading events to trade shows, we exchange ideas, drive Innovation and stay at the forefront of industrial advancements, reliability and every operation across the world ELGI compressors drive Industries with unmatched performance and energy efficiency. Empowering success through knowledge and connections. Our customer meets strength and partnerships while our training programs empower channel partners with knowledge and hands on experience to deliver excellence. Every day at ELGI, we are scaling new heights by driving innovation, strengthening partnerships and delivering solutions that power industries. With innovation at our core and collaboration fuelling our success, ELGI remains committed to delivering excellence. Today and always, ELGI always better.

MANAGEMENT: OK. So, I'll hand it over to Anvar.

ANVAR: Hello everyone. Alright, Just, wanted to take you through the region. So our largest region ISAAME, which includes India, South Asia, Middle East did very well. So, over the past five years, a 17% CAGR in the first bullet, especially in India, we we've increased or improved our market share across all of our different product segments. And part of what enabled this is that we've been very good, with many of our product launches getting them on time with some very powerful value propositions, that always helps gets us new customers a couple of the specific things that we launched was a super-premium series is a two stage machine, especially in higher kilowatts, particularly relevant for energy intensive industries such as textiles. This has helped us produce some news in that segment, some good conversions and the PG850 portable machine. We're a strong leader in the construction and mining segment with our diesel portable machines and operationally, over the last couple of years, we've become much tighter with bringing, with being a leader in bringing in new products for that for that segment. We've had some slowdown in industries such as textiles, which were large customers of ours, but we've been able to mitigate that by gaining growth in other in other segments and other industries. We've launched a particular a specific go to market project with a large firm to help us improve share the goal of that project is to basically go out and identify new customers. Customers that are not really considering us. What we found is that when we are at the table for a particular opportunity, the rate at which we win is very high. The challenge is to go out and find new customers, so we're really going through multiple avenues to be able to build that awareness, starting with increased feet on street, significant increase in marketing horsepower, customer engagement and so forth. So I feel very confident about the results that we've had to date and I think we'll continue the momentum quite well into next year. A couple of things that

we need to be wary of. You know, we see a significant influx of lower priced Chinese products in the lower kilowatt price driven sector. Now we have some plans internally to be able to address this with our own product portfolio. We'll probably talk about this a little bit later and there was some there was some segments from last year that had some seasonal impact that didn't necessarily replicate this year. So, for example, the cashew segment. But this is something that we're trying to address in our budgeting. We're trying to be thoughtfully much more conservative about such segments going forward, so that we're putting increased emphasis on the businesses where we can control outcomes. North America region, very close to my heart. I spent nearly five years there and often get this question. You know what? What really happened in FY23 versus FY24, FY25? I think there's a couple of things. If you recall FY 23, we were still sort of enjoying the post COVID hangover, record prices record volume increases if you had Capital equipment in stock you had multiple buyers for one piece of equipment, so it was really unprecedented. Buying condition. That's likely not to be replicated anytime soon and one of the things that you'll see in FY23 in North America is that if you go and look at the compressed air and Gas Institute volume numbers that are published on quarter quarterly basis, those numbers were by far the highest during that year. So, sort of linked to that link to that when you've seen that level of consumption in that year you're likely to see a dip in the overall demand in the market and that's kind of what's happened, but what's a little bit more nuanced for our business is that in North America, we have 5 businesses. We have the industrial business, the portables business, 2 distribution businesses and the medical and gas business. FY 23 was also the best ever year for the portables business. Which the best analogy I can offer for you is very similar in its cyclicity to the construction and mining of the water well segment in India. Very tough to predict but very intensive on cash because you need to have the products on site, right. So, it's tough to forecast and what not. So that business is nearly is less than 50% of what it used to be in FY23. Our leader who runs that business believes we're at the bottom of a three-year cycle and this this is likely going to continue. So, when I actually put when I actually put those results in context, you can kind of see that the businesses where we can actually control outcomes, the industrial business, the distribution business and the medical and gas business. They've actually performed quite well. Now the distribution business, we're still in a recovery phase where especially on the service side, the medical air and gas business is doing very well for us. And the industrial business is back to those pre COVID levels. I'm going into the New Year I feel very confident that the industrial business will continue to grow. We're investing a lot in expanding our sales capacity across the US as you can imagine, the US is a very large market .But it's also very homogeneous market, which basically means that the same strategy that works in Texas will also work in California, which means that you get a lot of scale for the type of investments that you make. So, we can very confidently increase our sales capacity, our reach in the market for growth. So, feeling quite good about North America going into the next year. Europe, I mean everyone is aware of the concerning macro conditions in Europe, high energy costs, general political uncertainty and many of our

focus markets have been in chronic decline for a couple of years now. So, Italy, France and so on so forth. But the fact that we've enjoyed nearly 22% CAGR of the last five years is a testament to the quality of our execution. The way in which we are pivoting amidst these conditions is that we are trying to focus resources far more in those countries where we believe there is larger opportunity, so going a little bit deeper in Italy thinking about the Nordics, the Nordics is doing quite well and we're also being much more thoughtful about very specifically targeting certain distributors that we want to have conversations with for conversion and. Very similar to India, our new products have new product launches have been received very well Europe is a very energy sensitive market, so products like super premium and what we expect with stabilizer as well will do well and we've also launched the EQ series, which brings in a lot of the benefits of the EG machines at a much lower price point so in a in a cost conscious market like Europe is right now. We believe we can grow share there as well. I just want to make one mention of Rotair. A lot of Rotair fortunes are tied to the health of the North America portables market accounts for nearly 25% of their business so this year was quite soft for Rotair because of some of the softness in North American demand but the team has done a very commendable job of going out and replacing that demand in in Europe. Coming to coming to Australia, Australia, very challenging market right now it's probably it is our smallest strategic market, and they also have a lot of challenges with overall decline in manufacturing GDP, which means that most of your growth is going to come from market share capture, right? So what we're really going to focus on going into the new year is to really consolidate the business that we have right now and be very specific about investing in those areas where we believe we can gain some share quickly. So, Victoria, for example, and the Melbourne area is 1 area where we have a fairly low share position. So just doing the basics well. Will get us some traction. Some of the some of the areas that we need to work on is we have the same sort of pricing challenges in the market because there's a lot of Chinese imports service technicians are challenging to find there's a lot of general labour shortage in the technical space. We've actually been able to move a few technicians from India who've who do, who do great work for us and as when the market conditions are high, all the OEMs are competing for the same large value projects. So, one of the areas that our leader Mark is working on is to improve the quality of our sales team so that we can better compete. For those large OEM type orders. So, I'll hand it over to Indranil, our CFO, to talk more about the numbers.

INDRANIL SEN(CFO): Hello. Good evening, everyone. It's my first best presentation day with a warm welcome to all of you. I know everybody wants to hear the CFO speaking numbers and I'll finish my slides in the at the fastest possible manner. Having said that, we'll talk a little bit of context. I think keeping pace from what Anvar said YTD, December, we grew at about 8% and we are likely to carry on that trajectory for rest of the year. Little bit of colour into this, I think Anvar mentioned about the cyclical nature of our portables business. This year and that is also

impacted if I were to exclude the impact of this on our operations or other business has actually grown double digit. So that's a colour that they won't leave with you guys is a thought process 80% of our revenue growth continues to come from ISAAME this year Europe has obviously come back to growth, and ATS also has been delivering year on year strong double digit growth. If I look at the five-year trajectory, I think while there have been spikes in between, but pretty much we've managed to generate a CAGR of 16%. And this if I breakdown across business segments, it is pretty much consistent across all the business segments, most of them have delivered strong double-digit growth which gives a strong pillar of confidence in terms of the foundation of our business. Now if you look at the EBITDA, we are pretty confident to end the year at 15%. I must highlight that this 15% and in spite of us investing in our go to market strategies in process transformation initiatives like in finance, HR and IT, which is about 1%, we've also seen the impact of cyclical nature of our business on portables and there was also impact of Australia so in spite of that, we managed to kind of hold onto a 15% trajectory. Which is pretty decent, and we feel pretty confident of this number or a similar kind of trajectory continuing in subsequent years, just to mention that our investments in in some of these process transformation initiatives we've done go to market, there is still more go to market to do. There will be more digital transformation initiatives, more process initiatives so that's something which will continue now as a trajectory like sales, 80% of the profits in the last couple of years have come from India interestingly, Europe, if you see there has been a strong recovery from loss to reduce loss to break even in the current year and if I see the other subsidiaries, I think if I were to exclude the impact of the overall portables business and Australia, we are largely on track coming to cash, I think one of the key focus areas for me personally in my first year at LG has been to see how we can kind of get back on track in terms of working capital. I'm pretty happy to say that pretty much most of our cash profits have been converted to cash and if you see the working capital investment is only 5%, we have 25% tax and if you exclude that, there is a Capex of 78 crores in dividend of 63 crores in the Capex cycle, if you all remember, we've announced overall Capex cycle of 250 crores. You've started the spend, but you'll start seeing more of the cash flows coming in in the next couple of years. So I want to just make sure that that's something which is baked in. And over the last couple of years, you'll see that there's a continuous focus in terms of EBITA getting generated and working capital getting reduced and hence resulting in cash. Most of this again around 70% of the cash is generated in India and balance 20 to 30% outside of India. I'll hand it over to my colleague Prem Thank you.

PREMENDRA(CSO): Good evening, Everyone, can you hear me? All, of you at the back. So what? I will do is I will quickly. We'll step back little bit to see how the overall global compressor industry has been doing where we are in this industry and where we are actually heading towards so what you see on this slide on the left-hand side is over a long term of around 11 years, how the overall global air compressor industry has been doing. It has been growing at a CAGR of 3.5% and we are

around 21 billion dollars in the size so overall industry size during the same period, ELGI actually grew around 5.8% CAGR and we are today at around \$390 million so we have been growing at 1.7 extra market and how the industry configuration actually looks like? So, what you see on this slide is the overall top ten players and the rest have been combined bottom one at in others. So you see consolidation still happening at the top, the top two players constitute around 52% of the market. Then you have the next three players Kaiser, Hitachi Sullair and Fu Singh, which are close to around 1 billion revenue each of them then comes ELGI at number six in FY24, the same was as well last year. Then you have the players like Kaiser and Dusan and Estevan so overall, industry around \$21.3 billion dollars, the top players have more or less remained constant Hitachi Sullair has jumped poster You know merger and of course we have also jump given our faster than market growth too By three positions to number six over the time period of last 11 years. If you see how our trajectory has been, we are currently this year we are expected around 412 we won 390 last year. This is including automotive component business ATS as well as ELGI compressor business. We are on track for our 450 million which we have committed for FY-26 which means 8% cap over the period of 24 to 26 Most of it is actually being contributed by India.

Rest of the world doing it 7% and these are the key figures which also Indranil talked about. We'll move to some of the new products that we have come up over the last year and some of which Jay and Anvar were also talked about. So first one being the vacuum business, we had this technology partnership with DVP last year and then we went into the execution mode today where we are, you will see on the left-hand side we have actually onboarded a team. Three people are already on board for the sales to more expected to be higher this year. Product we are focusing on Rotary vane type vacuum pumps which represent around 70% of the market by volume when I say 70%, these are the most dominant vacuum pumps in the market. Go to market. We are actually targeting the OEMs both through direct sales as well as through channel partners and we are in the process of onboarding channel partners as well uh, we have already received order so far of around 55 to 60 pumps since we started, you know, commercial business in October and at the same time, while we are doing this, we are also investing in localization, so. We are We have already started work on this. By April, we expect to localize around 60 to 80% of the portfolio by market coverage and by August this year, we are expected to localize most of it I think you all have seen this vacuum pump we talked about last in the last meeting as well we have actually we are working on two types of vacuum pumps with DVP, Rotary vane dry as well as lubricated, and in future we may go on to other technologies as well .Anvar talked about ISSAME facing our India business facing some challenge from a low cost product imports, what we call here is Tier 4. So this is our terminology when we say Tier 4, we actually refer to Tier 1 and Tier 2 as the, you know performance driven products for those customers who actually value performance, the most Tier 3 is an optimum of performance and price and Tier 4 is what we say customers who are really determined by the driven by the price of the product.

Now this is 1 segment. We have seen growing significantly over the last 3-4 years mostly driven by low-cost imports into the country and today they actually. Consist, a significant volume of the overall industry size. And so far we were not playing in this segment. But given that the volume has been increasing, it's inevitable that we also have a presence here. And therefore, with this regard, we have actually conceptualized the product in this segment. We are not yet commercializing it, but it is already conceptualized and you can see how the transition has happened from EG which is our Tier 1 to EQ Tier 3 and Tier 4. And while maintaining global standards having options for variable flow, dryer and tank bound design options. This, product has significantly lower footprint. Its weight is significantly lower and as well as material cost is at 60% of what a tier one would look like. Coming onto the other products that we came up with, so the overall focus this year was really in driving energy efficiency. It was also in expanding our product portfolio as well as integrating backward. The first ones which I want to talk about is about oil, lubricated screw compressors. Here we came up with Super Premium 90-160. If you remember, last time we talked about 90-110, we have extended the range now to 160 kilowatts. These are two stage i-4 motor driven premium products. They offer class leading energy efficiency actually the specific power consumption is the best that you can find in industry. These products are enabled with very advanced controllers. Air alert as an IOT industrial IOT suite as well as possibility of having integrated a heat recovery system. We'll talk about heat recovery system again later in the next few slides. Another product that really is quite popular now, especially in markets where energy efficiency is very important, is EG-11 to 45 permanent magnets in synchronous motors these are in house design, developed and manufactured motors and the motor plant PG actually refer to in his talk. Moving on to the tier 2 in EQ series, we launched high pressure 11-to-45-kilowatt product. This product is actually targeted towards very specific laser cutting application and can operate at 15.5 bars. In the encapsulated series, we try to develop and integrate the product here in India and export from here. So instead of assembling tanks, the compressor and the dryer in the region, we decided to actually assemble it here in India as a result of which we are able to compact the footprint standardized offering as well as have better quality control in the process. And this also gives a significant cost benefit. We also added new features in terms of features. I'll focus here on the oil free side of the portfolio. In oil free, we added auto protection kit to 90-160-kilowatt product now this outdoor protection kit helps you, you know, protect against rains, no wind, dust and so on. It's a bolt on design, quite modular and extremely easy to use we also offered integrated air heat recovery system in 92 kilowatt air cooled now heat recovery system actually helps you retain 95% of the heat which is generated in the process of compression and which is quite useful if you are using this heat for heating any say process water, preheating water for boilers If you have one in your facility, and so on. Therefore, in markets where energy cost is very significant. Heat recovery system becomes quite critical. In, reducing the overall energy cost as well as optimizing the carbon footprint. This year we also came up with our own integrate with our own refrigerated dryers, both as

standalone option as well as integrated option. These dryers are made in house from 20 to 500 CFM. We already have the portfolio, and we'll further expand into higher CFM's. They have stainless steel heat exchangers and a very compact footprint for India. It's already being sold. In the portables, we came up with PG 250-850-290. Now this is an offering which is available both for construction and mining as well as water well. This is this product has dual pressure offerings. It it's also comes with an electronic engine and what is more important is especially in the construction and mining in coal mines, it can be actually you know accommodated on an extra excavator.

So, it can be excavator mounted and that's quite convenient for the. Customers over there this product also offers extremely efficient drill penetration. Now this is a product we talked about Jay talked about during his talk on rail. So, this is what we have actually developed for the railway project which we won last year. This is under some project under slang screw compressor for real application and it while we have developed in, we are already shipping this unit to the customer 5 loco sets have already been supplied which means around 10 AGT - US now AGT-US are air generation and treatment unit. It consists of compressor as well as desiccant dryer. All of which have been made in House. That's it from my side. I will invite Venu now. Thank you.

venu madhav (director -product excellence & innovation): Thank you, Prem. Good evening, everyone. My name is Venu Madhav and I represent product excellence and innovation team at LG. My team continuously works on meeting the customers' needs stated needs and all through regular product development and unstated ones through innovation. So, I'll be showcasing one of such innovation, what we believe the result will revolutionize the way in which the compressor is operating in today and by the way, it is going to meet the unstated want of the customers. I'll send the context with a simple example what we are very familiar. Let's say we are in a room and there is an A/C standard A/C. The A/C will be cuts in and cuts out depending upon the number of people present in the room and also the ambient changes outside the room. So, for the solution. So, the A/C will be continuously cuts and cuts off. So it is a reliability issue because of it is fluctuating on this one solution. What we can think of is an inverter A/C. But still, it will be changing its capacity, continuously increasing and decreasing to maintain the variations with respect to number of people or that room temperature to ensure the comfort. So the operation is efficient from a variable speed perspective. However, still it is less reliable, so it leads to some efficiency challenges because it is unstable. Whomever we buy this AC's, whether it is a Daikon or Voltas or whatever it is. This is what it is going to happen and as a customer, we all believe this is what it is going to be happen. So, we accept it, though we don't want it. So, in the back of our mind, we don't want this unstable operation, but we accepted it. that's called unstated want and how do we overcome the unstated want? Is the one what we are talking. We can relate this similar principle similar to the compressor, how it operates in an industry. A

compressor is connected to the plant and the plant has various utilities. And each utility will need air at different points in time that that requirement may be continuously varying. Some utility may be at a breakdown. So, what's happen is there is always a gap between what is the compressor is producing the capacity of the customer compressor and the demand from the plant. So, this gap in the demand will always create supply the gap in between the supply and demand creates a fluctuation and makes the compressor to operate in, cut in and cut out. Kind of operation similar to the A/C. What it is so there are VFD driven compressors now. They tend to meet the capacity balance. They try to balance the capacity with respect to demand. However, they are still the operation is unstable. Let me explain in the next slide why I am take just telling it as an unstable. Let's see how a compressor works with and without VFD in an unstable operation. When the variation in demand is happening, this is the chart without the compressor. Without VFD you can see how the pressure fluctuations will be happening. So, the compressor will be cut in, cut out, cut in, cut out. So, there is a lot of variation in the pressure is going to happen on this now once things that VFD can balance the capacity, it will be very stable. But practically it is not because VFD it is changing the motor RPM; it is going to change the current. In the system, so some current is changing, fluctuation is there. It impacts the overall the current power quality in the plant also and sometimes these VFD's will create harmonics which are very, very trivial, be dangerous for the overall power quality of the system. They need filters to attenuate these harmonics, which are heavily expensive. By the way, the VFD itself is 30% excessive money to handle it, so while by putting 30% excessive money. We appeared. There is a balance between demand and capacity, but still the operation is unstable. So, any unstable operation is inefficient and ineffective. So we're talking about this unstable. So, what it means to a compressor. Let's look here. In a compressor, there are two types of parts. Compressor deals with flow. There is a flow related parts and compressor. There are kinematic parts. The parts are moving, so when the cuts in and cut in is happening when there is a huge amount of fluctuation is happening. You can see there is a zero-flow inconsistent. Then there is a maximum flow, so it is highly unstable with respect to flow that system doesn't understand what to perform, where to perform optimally, so this is always an unstable operation and look at kinematic part It is an intake. Well, what I am showing in the compressor you can see when the machine is going to cut in and cut out. This is becoming on and off, so in this itself there are 6 mechanisms. Every mechanism is going to undergo stress and fluctuations that leads to reliability. And unstable issues. And as I repeatedly said, an unstable operation will never be efficient and effective. We need there are such $30+20=50$ parts of such parts so combining they will impact the efficiency and reliability of the machine. I just want to show you in practical situation how exactly it means this is a video. What it is showing, how a compressor. Still, I am focusing on the intake wall, you can see this here. So, see the actuator how it is moving. It will go such number of fluctuations. Just to sum up any, there will always be a demand for capacity variations. Compressor will try to operate in majority of the cases in an unstable mode leads to efficiency and reliability issues a

VFD appears to balance the gap between the capacity and demand. But it is expensive. But it will bring additional failure modes what it is. So, this is and whomever we buy the compressor, whether it is from ELGI or any competitor also. This is what it is in the customer mind. This is accepted, but he wants it better solution for this. So, we engineered a solution which the innovative stabilizer with the way in which the system eliminates the instability while maintaining cost and without incorporating any new failure modes. So let me explain. How does it work? So, the principle of stabilizer the principle is very simple. First thing is recirculate and recover. Recirculate the excess capacity within the system and recover the energy all possible in losses and recover energy recover this energy so this is the principle what we are doing. So, the principle appears very simple recirculate and recover the technique and control are novel. Here, that's what the value, what it can come to this. Maybe I'll take you through. Little bit mechanism how this actually works be technical. In any compression process, primarily a rotation will happen. Prime Mover is going to rotate, so it is going to rotate 360° per revolution first thing what happens is the volume will increase. Even the volume will increase, suction will happen. Compressor starts sucking air into the system and when the suction is happening, the zone is not stable pressure. There will be a lot of fluctuations before starting compression there is a stabilization zone is required. So we have a zone called stabilization. Once there is a stabilization, volume starts decreasing, pressure starts increases. So, pressure will increase. Then after reaching the desired pressure, delivery will happen at constant pressure. So, this is how the actual compression process will happens. There are four zones, suction stabilization, compression and delivery. Now our principle is recirculate and recover OK. What are the opportunities for us to recirculate in this? Principle is so the first thing is that suction and stabilization there is a for us to recirculate take the air back we need a pressure difference, so this is the first zone. We have a pressure difference exist very minor increase in pressure will happen from atmosphere to here. Here. So very less amount of work will be done on the air but identifying the zone and we can able to connect it back to section, we can circulate re- circulate around 30% of the air, without losing any energy into this. So, this is the first principle What we are doing and the next which zone we can do there is this is high pressure zone but unfortunately this is a unstable pressure. Pressure is keep raising we cannot maintain the capacity by any means, so this is not the zone for us to take there so what is next? Next thing, what is available to us is the separated tank where. We have a constant pressure we can take the air back into the section, but by the time air reached here, we can also think that almost work is done on there. So there, there could be a possible loss. So, what when we are taking the air back on which work is done? There is a loss. How do we recover it? Again, identifying a position there. What we have done is we'll take the air back to suction. We'll raise the suction pressure. So what happens? The net pressure ratio compressor previously working from one to seven bar. Now it will work from two to seven bar so the net pressure ratio comes down, so the power required to compress there the 100% of the air will come down. But we are recovering, let's say 30% of the air we lose the. Air only on that 30%. So, the gain is more.

The loss is reasonably less still. There could be some inefficiency, but it will get balanced, so this is the two zones what we have identified. This ensures the complete balance. From the plant, even from 0-100% variation, we could be able to witness the capacity of there so. Anik layout perspective This is how it looks. These are not the exact positions. One progressive wall. A continuous wall will be there in the air end side and one another wall will be there from air end to sorry suction to the tank side they together will operate and balance they together will operate and balance and ensure the capacity. And the demand balance between them? So and if we look into the compressor, the first one you can see there is a motor, compressor and controller this machine will be going into on off control and with the stabilizer system there is a new logic built into it this is very intelligent logic to ensure trigger these two walls in line with the overall capacity balance. So this is all happens in within the internal circulation and ensures the balance of the customer. Come compressive plan demand .Now this is what we expect. So this is the system with compressor pressure lot of fluctuations.

Are there VFD still it brings electrical fluctuations whereas stabilizer system will ensure the stable operation in terms of pressure and in terms of motion of the motor and other systems OK. so this is what we anticipated and we did all the internal tests. We ensure these results are there now. Is this really true in an actual environment? We have put so many missions in the field and I'd like to share you. This is one site and you can see without stabilizer the these are the number of fluctuations per hour this machine used to fluctuate even 62- 62 times in an hour. Every minute it is going cut in and cut out. This is the site and in that site, when we put, when we just added stabilizer system the fluctuations came down to 0. So this ensures the machine is stable. So we talked about efficiency also correct what it is. So it is not from our side our calculation. This is what customer said. So he is very happy with the way in which this machine is operated from stable and other things and he is telling he could able to save 3,86,000. It is almost equal to the material cost of the compressor and this saving will replace are practically we can get the complete machine will be paid back in two years and the stabilizer system if somebody adopts it, will be paid in a couple of months time. It won't take more time for that. So we are confident the way in which this is working and that the stableness what it can bring without adding additional failures and cost so let's see practically. We saw how the unstable operation. Now we can see how the stable will operate. We do not yet. So now we are seeing the unstable operation. Now we will activate our system. You can't see this escape. So in the save notification package. Just for us to see where we'll just go back and then switch off that this will go to Unstable mode again, so it clearly indicates this system will ensure the stability under various operating conditions and then It's big reservoir to be a 3D, take a couple of seconds to do that .But now it becomes .So that's what it is and we can see the stabilizer system enhances efficiency and reliability and it revolutionized the compressor. The way in which it operates, what customer is thinking, it makes him satisfied. Delighted with this. This innovation delivers significant value and it positively

contributes to environment also. So this is patented because we did a patent search across the globe and it is patented. To be test and we are working on to commercialize it progressively soon. Thank you. Now I request Gaurav too present on this.

GAURAV GUPTA(CHIEF INFORMATION & DIGITAL OFFICER): Hi everyone. Good evening. I've joined the company 6 months back, delighted to talk to all of you. After a super simple presentation from Venu, I'm not going to be talking about the neural network, so I'm going to be talking about something very simple. In terms of how we are going to be looking at the digital road map for this organization. We've sort of invested and looked at. The future road map for investment into our digital capabilities. But having said that, we've done two things. We've broadly looked at aligning it very tightly with our overall business preference and priorities. And secondly, we've been very mindful in terms of how we are going to go about it. While the investments will be made and there are clear prioritizations that are being made in terms of where we invest. When we invest and then what do we expect out of those investments? Clearly what we are looking at is some of the achievements that have already been made in past, how can we expand build on it? Secondly, we are also looking at stabilizing some of the instabilities that we had in our core application structures and you can see that some of them are actually driving our growth and helping us support our future growth ambitions some of them will be more focused around the productivity. We're looking at a fundamental change in our operating model. We are looking at creating our global technology platforms. We're creating our global digital channels and hence through that we will be able to increase the overall speed of deployment, scale our applications as well as their digital capabilities across the globe, not only just here in HO and in India, but also across all the subsidiaries and that that would give us that level of confidence to meet the business priorities and the agenda's that Indranil and Dr. Jay talked about along with Anwar. Yup, we also been focused on how we improve our risk and compliance and there's some capabilities that we are also building for future, we've been investing in past and we will continue to invest some of the exciting capabilities for future. Everybody's talking about AI. Everybody's talking about data. The investments will start towards that as well. But as I said. Our priorities are threefold. Stabilize the core, digitize our functions, and then build the capabilities for future. In terms of the digital business models, that's how we're intending to progress more to come in this space. First few steps, but very excited to be here. Thank you. Connect ask Mitesh to come up.

NITESH JAIN (CHRO):I thought am I audible? HI so my name is Nitesh and I lead the HR for the firm. Very warm. Welcome to all of you and happy to present before you. So I think you know I'll be presenting just one slide and basically it's all about how we are thinking and really making how we manage talent as a way of life for us right now you all have seen there are various new leaders presenting here, right and that's the intention that next time the new set of leaders

should be nurtured and come from within the organization. Rather than for us to go out and hire from, right? So with that intent it's, you know, we started this journey roughly around two and a half, three years back, right? And intensive work was done in terms of really reaching out to employees leadership to understand, you know, what are the competencies which are required for us as a leaders and employees to be successful in this organization and hence complete competency framework, leadership competency framework were designed. Each and every employee in India was trained around that and also you know a development centre. We did a development centre, you know, so competency model states that, OK, this is what is expected right now to really understand each one of us, where are we, you know from that ideal state, right? So that exercise was done. We hired a, you know, an external partner who helped us in this, you know, gap analysis and we almost covered around roughly around 250 odd employees. In this right, starting from a mid to sort of a senior management right now this entire work was done which led to basically, a few things right? This analysis gave us the potential basically right, because leadership behaviour is all about potential, right? How anyone can behave and work in a uncharted territory? And you know, can adapt and deliver results, right? So this gave us the potential assessment score. We already have the performance score of an individual working with us and using that data we really worked on the NINEBOX classification for the employees, right? Simple tool, but just a talent segmentation exercise for us to really understand. How does a talent landscape for the firm looks like? Right out of this entire development centre, there were lot of learnings for us, right? We realized that there are couple of capability issues which we can really go blanket out in the organization as a capability and impart trainings through some workshop and some design methodology for all our employees, right. So couple of things which we entertained was you know, how do we really emphasize on managerial capability, right fundamental of really looking at the, you know, talent landscape, how do we make our managers more effective, right? Right. Second thing was how really we imbibe that each one of us working in the firm irrespective of the department function, we are really thinking business. Do we have that bent of mind? Right. So these couple of things were identified where we went all out in terms of how do we ensure all the employees are covered through these sort of programs and capability development. Since we have done the development centre for each and every employees almost 250 all employees, there's a individual development plan for each one of us who went through the development centres right now many often we have seen that you know, IDP's are created and you know during the time you know, you never know what happens to that. Is there any rigor or needle moving, not moving? Right. So what we said that we have set up a process which we have termed as development Sprint. Now this process enable us that every year, twice a year, at a certain, you know time, each employee come and present to a development Council about their progress made on their IDP's. Is there any challenges concerned along with their managers this this dialogue happens right? The idea is really to enable, right? How can we enable any support from leadership? Everything

can be, you know, given and the dialogue really is to see that whether the needle is shifting or not. Now this is from the employee lens. Now from a roll lens, right We also really looked at which are my key roles, which I cannot afford to be vacant, right? Are really important of strategic important for the firm right. We looked at also that who are my people internally who can be on the succession chart for these key roles Yeah. Now this is one thing that I, you know, as an organization we said OK individual A can be targeted for this role. Now the next question is individual A really wanting to get in that role right? So there is a aspiration, career aspiration, link of that individual. So with the dialogue, with dialogue, with almost all the people who have been identified as successors and are on our succession chart to really understand and close the loop with them, are they really aspiring? How we are thinking, right and basis that right we there is a. Succession development plan. Now this is where the rubber hits the road, right? Which we say as part of lot of talent management exercise that certain individual will be ready for a certain role. In X number of years. Right now we went back and said, OK, if we require four years, what exactly this four years will look like for that individual, for the targeted role, right? Because until unless we have that clear signed off process, you know we can meet 2 years down the line the status remains the same, right? So we did this exercise. We are in a process of, you know, making this also a review mechanism to really enabling that things really move as per the plan. Right. And at the end of the day, all these things will culminate in a in a talent review discussions where as a leadership for the firm, we sit and take stock of the talent agenda, various initiatives, what results they are you know whether we are reaping the results. Or not any supports are required. Any course correction. See the idea is to really make talent as a way of life. The way we discuss numbers, we need to discuss and dialogue and have a conversation around talent Right. So that's the intent. And this, you know, this year we have largely covered all employees in India and you know ATS as a unit and ELGI sort of unit I think we are in a process of rolling this out to our across the locations globally, right? And you know, next financial year, I think that's the target of really covering all our employees within this framework. Thank you.

BHEEM SINGH MELCHISEDEC (DIRECTOR – OPERATION): Good evening to all. I'm Bheem Singh, director of operations. I think you are all excited with today's presentations, particularly the innovative presentation like our stabilizer and Tier 4 compressors. And I'm also equally excited to present to pivotal initiatives. We have launched this year. When is ask Dr. JV mentioned the ELGI motor expansion. This is actually a multi-faceted development. It's not just, you know, capacity expansion it is It includes the cutting-edge technology and number of variants, products and also the, you know, the capacity expansion. There are three dimensions to that this PMSM motor we added to ours. Product profile and in addition to already proven induction motor technology and we are expanding to now 160 kilowatts. At present, we are 2.2 kilowatt to 45 kilowatt. Now we are expanding to full range and as I mentioned, this number of variants increase will help the customers for the evolving need of the customers. And as Dr. Jairam mentioned in

his speech. This development will insulate our company from all the supply chain risk due to any geopolitical issues as we are witnessing now and apart from that, there will be a steep reduction of inventory and steep production of lead time and makeover operations, more agile and responsive. Right. And second is this MK2-MK2 is Mission -K2. And our aspiration is CK2, one of the top three players in the world in the compressor field. And this mission is to help to reach the K2 CK2 and again doctor JV mentioned about it. This is not just investment in creating a world class manufacturing facilities this is also our commitment to sustainability, so as you can see, 38% space is alerted for green build development. It is a very green plant and overall the as Doctor JV mentioned, the entire phase we are going to invest around 590 crores 696 crores for five years. Next five years and we are going to build 743,000 square feet. Right. And the phase one we are going to build 280 thousand square feet with the investment of 2547 million INR. This is a first phase .This is the layout GSC layout. This is a global support centre layout. And this is a building and this is a layout this a U shaped layout for better efficiency and effectiveness. And this completely automated plant with the case certain robot conveyor and AGV's with a less number of people inside and this is a portable business, portable plant ADP SAG plant. And this again closed loop. You know plant with for maximum efficiency and effectiveness. Overall, GSC 147,000 square feet. We are going to build in the investment of 1440 million INR and portable building with 131,000 square feet with the investment of 1107 billion INR. And here again the focus is on the automation and productivity improvement close to 50% productivity improvement we are expecting in this plant also. It's all from, I said. I invite Ramesh.

RAMESH PONNUSWAMI (EXECUTIVE DIRECTOR): Thank you Prem .Good afternoon, ladies and gentlemen. I'm Ramesh. I look after our companies purpose. I champion the purpose, business systems, ESG and a significant part of the ESG is CSR. So I'll take you through. I know you've held together very well for the last 90 slides. I have a few more to go and hopefully I'll be quick. So to start with, let me talk about CSR bulk of our profits, or rather the share of the profits that go into our CSR activity is invested in education. The ELGI school is about 35 years old. Now it's in a brand new campus. It's about four years old. Next time, if you are in Coimbatore, we have some time about an hour to spare. Please let me know. I'd be more than happy to take you to our school and show you around and see what we are up. There's some exciting stuff that we are doing. As part of our school, there's about 1332 students studying right now it's CBSE school from pre- kg to 12th Standard English medium. And we have a fantastic track record in terms of academic performance for the last few years, we've had 100% pass rate in both board exams, the 10th and the 12th with an average score of about 85%.We want to take it to the next level. That is something that I will talk to you about. Giving back to society by developing good citizens through holistic education at low cost. We're running the school not with a profit motive, but doing good and doing, you know, very good in terms of what academic output. So we already have about 100 students whom we are supporting through scholarships. It's fee free and I'm also

pleased to share that there's about 14 children who are from an orphanage nearby. Whom we support one of the girls who has passed out of 12th standard last year came from the orphanage. Her journey was from LKG to 12th Standard. She was the Topper in the district, and she is. You know that's part of the trigger for us to go to Segway for us and for me to talk about the project that we are off to. This is project seller very exciting project for us. This is a future journey for our school. We want to focus on bringing. To our school identifying natively. Brilliant but underprivileged children financially not able to afford quality education. They are in government school's corporation, schools right now, probably in Tamil medium We want to identify them, bring them to our school. Put them through a holistic program focused on academic excellence, but also creating good citizens out of them allrounders in whether it's music, sports, whatever we want to give them those kind of pathway and We will screen them from at six, 5th pass. That's the only time that the earliest that we can catch them and screen them and test for intelligence. So we are starting this year in June with our first batch. We've already identified 1000 potential students and we have applications from at least half of them. We have our entrance test in the 16th of March. The process is well underway. We're confident we'll get at least 25 students in the first batch and the only measure of success for us that we've set ourselves is every student who's passing out through this program will get admitted or offers of admission from the top schools in India. Whichever program they choose. It need not be engineering or medicine the typical programs that you hear, but it can be arts, it can be finance, it can be IPS, IAS you know, a law, whichever. Right. So we will support them through Career guidance, counselling and various, you know, competitive exam preparation facility also. So it's 100% free education. We are going to build a residential facility. We've already started the planning process in two to three years time. It will be 100% residential, completely free. This is the easy part. Finding the students and bringing them. How do you deliver the excellence you know in terms of the delivery of the curriculum, the quality of the teachers is absolutely critical. So investing a lot in the back end of the school as well. So 15 to one student and teacher ratio right now, we have about 30 kids in a class. We will drop it down to about 25 to maximize impact on contact .So it's a very exciting journey.10 years from now, steady state. Our school will only be from 6th standard to 12 standard. We are progressively shutting down after 5th standard. The entire school will only be these stellar students, so we expect about 900 students all studying free, all academically excellent. So our aspiration is to be the best school, full stop. So the next CSR activity that involved in, not just in school VR, supporting healthcare, various cancer organizations, Cancer Research, and foundations that we support for paediatric and adult cancers as well. But the other exciting thing I want to share with you is our support for the Olympic gold quest. Now this is a organization that was started by Geet Sethi and Prakash Padukone in 2001.The main aim is to increase the number of medals and hopefully most of them gold medals at the Olympics from India. So in the recently concluded, just to give you a flavour in the recently concluded Paris Summer Olympics, there were six medals that India won, one of them. Was for hockey, as most of us know, five

were individual medals. Four of them were supported by OGQ, the Paralympics did much better India got 27 medals. If I'm right and 25 of them were supported by OGQ. Out of that, there were 6 gold medals and 5 of them were from OGQ. So that's the sort of credibility fantastic world class training infrastructure support for promising athletes. So, they catch them young and support through the journey, they harness their potential. So we're very excited and now we made a multiyear commitment up to the next Olympic Games going out to LA in three, 3- 3 1/2 years time. So, this about OGQ. The other exciting thing is You know, our aspiration is CK2. That is, conquer K2, the second tallest mountain and the most toughest 1 to climb Kanya is a young Mountaineer She's 16 years old. When she came on our radar, she is the youngest Indian to climb Mount Everest, the second youngest girl in the world to Mount Everest to climb Mount Everest and the youngest in the world in any gender to climb seven peaks and seven continents. So, she completed that feat. Earlier in the year, so absolutely fantastic talent we are very proud of supporting her. So these are the kind of causes that we, you know, try and do our best to support causes that are aligned with our purpose and have very high impact. So moving on to what we are doing internally, you know we ran the 6th edition of what's Your Finish Line challenge? So there's about 1000 plus people participating our employees and our distributor partners, all of them. It's a one-week intensive fitness challenge that ran in December, so we had a very good response and participation for that ELGI's been supporting the Coimbatore marathon since the last 12 years. All editions the 1st edition was in 2013 ELGI this the entire proceeds go to the Cancer Foundation in Coimbatore and we've had about over the years a record part of the participation we are in the top three in terms of attendance. Usually we are number 1 or number 2, so this year we had about 1700 plus employees and their families participating in the marathon. So there's a second largest event in Tamil Nadu outside of Chennai is the largest. So a roundup of key events during the year, a few of them. You've heard from other speakers, one of the key things I want to share with you is for the very first time, we're increasingly global, as Jay said, we have about 400 employees outside, so we, had our global leadership meet this year in last year, rather in October in Coimbatore. So, where we it's over a 2 day period we discussed deliberated Strategic plans. The how part of you know, making it happen. Various other discussions. There's about seventy of us across different hierarchies from various geographies, and we intend to kind make this an annual affair. We will continue to organize this and as Prem was talking about and this product is a very exciting product that we launched in the BAUMA Con Expo, BAUMA is an international. Exhibition originating in Germany. They had a presence in India as well. State of the future art is a showcase event where 15th December every year we will have a technology day. It's a very multipronged in terms of participation.

We have academia, industry specialists, experts from various fields coming and talking to a team, presentations on technology and other innovations that that we do Within ELGI So this is

something that we have had for about seven years in a row now a part from this, our employees are involved in various Community activities, various activities that drive overall engagement within the business, so. With that, I'd like to wrap up the flow of the presentations now. I think it's the next part which is a open for Q&A. Project is on the way.

MANAGEMENT: So are you. Are you going to tell me? OK. So there's already a question. Can you hear me at the back? Yeah. Don't think that Mike is working. OK. By whatever. So just second we bought 20 minutes behind, right. So we had to wrap up at 6:10 because a lot of people are taking their flights. So we keep it to about 40 minutes of questions. Yeah, there are people online who are who may want questions if they if they need to ask, let them raise their hands and then you will. And they will ask the question. So Ravi?

RAVI (ANALYST): Very good growth over the past few years that you had done in spite of the challenging times that have been there. And not only that, the kind of innovation and engineering work that you have done is very credible. My first question is with respect to some of the new products that you have launched. Like back to pumps and stabilizers. Need more detail about them. For instance, vacuum pumps, if you can give more details about the application market size. Who are the players who are already there? How fast we can cover this market within the country? What is the kind of profitability or what are the theoretical number of units that can be sold? And practically, how? What percentage of it can be covered and some things still similar? If you can extrapolate it for the stabilizers also so. How big is that market and? What is the market potential market size or say medium term? That's three to five years or something of that sort.

MANAGEMENT :So, Vacuum is going to be India centric plate for the next few years. Right globally, the vacuum market is about 3 billion, roughly 5 billion, right? Globally. But in India it's about 400 crores, 400 150 to 200 million dollar . OK, 120. But the it's the full vacuum, right? Right. So if you look at our presence, we are starting in terms of compensation. You have all the compressor players pretty much all, at least the major ones playing in the backgrounds with right? So it's pretty competitive you also have a long tail, just like the compressor business, with a lot of unorganized players playing in it but there is some opportunity for a well established I mean well, good quality products with good strong customer engagement. To start with right, you feel remain with only the technology and products that we have with DVP. Then there is no future. Right. So what we are doing is that's the Arrow head with which we will enter the market. But we are already looking at investing or investing into technologies that are going to be disruptive, just like the stabilizer is for the compressor business. So how long is this play globally? I would say by the time we reach something which is a reasonable share of the global market, it's about 15 years. I would not

take anything less than that in terms of being a reasonable player In India, I think in another five to six years we should be able to get at least 10% of the Indian market. Right. So it's a, it's a long play. We're not looking at a short term play. Because that's a significant, significantly far away adjacent adjacency to compressors, unlike dryers or filters which are very close adjacencies to the compressor where the velocity of our presence or market share will be far, far higher, right. So that's on the vacuum. On the stabilizer. This is not a product. This is a technology that goes into all compressors right now. Approximately on average, 30% of the compressors in the world. By with variable frequency drives, right? 70% would like to have variable frequency drive, but they can't afford it. They don't want to spend that money, right? That's really our target. Yeah, to start with eventually even that 30% will be ours, right? If you look at that 70% if a variable frequency drive costs 100. This system will cost 1/6 of that right? That's really the comparison, right? Literally nothing, yeah. What does the customer get? The customer gets a return of this additional investment in a matter of couple of months, yeah. So that's the value proposition that we present to the customer, right? And this can be retrofitted in the market as well. For our machines, there are two versions. You saw two valves in that in the presentation. Both the valves together is the heavy or the premium version of the stabilizer. If you have only one valve, then it's a light version. The light version can be retrofitted in all compressors, even competitors machines. The heavy version can be retrofitted only in options, right? And that too you need to change the error so the opportunity is huge, right? The technology is stable. There is no risk if a variable frequency drive. Malfunctions the compressors down. If there is a problem with this system, compressor still works right? So there's absolutely no risk, right? Not that we think it's going to go down, but there's no risk. The biggest challenge for us is customers asking does Atlas Copco have it? No, that's the problem, right? Because we are an unknown brand with an Indian label, right? There is always that prejudice that We are incapable of building the best for the first time. Yeah, we need to get over that hump. Right. That's really our marketing challenge that we're going to be working on as far as the stabilization concern, yeah.

RAVI (ANALYST): A continuing question to that stabilizer we might be having the number of Compressors, which are installed at least from a India perspective. I'm just talking. We might be having the number of stabilizers. Sorry, the compressors which are installed base of compressors which are there in the country. Any target as to this percentage of the? Install base. We would like to convert in these many years something like that.

MANAGEMENT: We don't. We haven't worked out the target yet, right? OK. But like I said, the whole the whole thinking is. How do we take this to the market? This cannot be taken to the market like a compressor, right? We, the approach to it will be very, very different and that's what is getting architected even as we speak,

RAVI (ANALYST): yeah Correct. And from a international perspective, I mean we have substantial presence across various geographies including US and in Australia. Recently you had mentioned that there is a lot of Chinese dumping which is going on there. Given the fact that us itself is lot of this Trump related tariffs etc are going on where increasingly there is a fear that Chinese. Products might find their route to other geographies in a form of dumping or something of that sort does that does that concern you?

MANAGEMENT : Absolutely. And there is a concern, but. The strategy to go to government to ask for protection is an important strategy. Right. It's not sustainable for the simple reason geopolitical bilateral relationships can completely over shadow any change that you get tomorrow. There is a big hug and kissing by the two prime ministers of China and India. Your protection is gone, right? So the real challenge is for our companies to Say, how can you take this use technology and come up with a product, a business that can respond to challenge rather than protection as a means as a response to the challenge. So we know the market is building. That's why we frame presented the TFO product. The Tier 4 product does exist today. It's exists in our R&D centre. We have already made it. We put it out there in the field and it is running and it's running very well. Yeah. We're just a little bit off from the cost like I like, he said. The cost is 40% lower, right? So we are in the right track. Next year we will start seeing that product getting introduced, but it's not a product challenge alone, right? These six or 7000 machines that are being brought in from China. Maybe 10%. We know where they are. The balance we don't even know, right? So the challenge is not just the product, but also discover where the product where the customers are, right? Just like Anvar said, they are go to market is discovering customers the minute we are in front of the customer, we win. Our win rates are very high, but how to get in front of the customer, right, that's the challenge.

RAVI (ANALYST): Last question is there has been a fair bit of consolidation in the industry at a global level over the past 5-6 years? So Ghana, Denver and Ingersoll Rand and Hitachi, how do you read this? Is it a positive, negative, neutral? Event for from ELGI prospective?

MANAGEMENT :When two compressor companies come together, it's always good for the rest. Because they will try to rationalize their entire network and all that. So there will be networks that open up, right? OK. But if consolidation happens with forward integration where they start buying distributors, then there is a shrinkage because globally. This is a distribution led business, at least for companies like us. Yeah. So that could put a challenge in terms of when they start going forward, right? So, but it's part of the game, it's still. Enough room to play.

RAVI (ANALYST):Yeah, understood .OK. Thank you.

ANALYST : Hi, Sir. First, an extension to the vacuum pumps question given our gear capabilities, why not say a screw pump or even a progressive cavity pump? Because Ingersoll Rand acquired a clamped through company Hydro probe. What was the thinking behind entering?

MANAGEMENT: The Ingersoll rand acquisition of the Coimbatore company was not a vacuum, but PC pump. Yeah, it's a pump. Yeah, because Ingersoll rand also has a pump business. We're not. We're not in that pump list. We're not going to get into the pump list, right? We've already developed a screw market, so that's what I said. You know, we are already investing in products that will be disruptive. In the vacuum space. Yeah. So yeah

ANALYST : got it and second again on Ingersoll Rand. Just a basic question. Their margins are like 2X of where we are. I understand they're heavy on centrifugal. We are heavy on screw, but if you could explain to us why there's such a huge margin differential between us and Yeah, EBITDA level.

MANAGEMENT: So there is a big margin difference EBITDA level difference between us and all the big companies, right and EBITDA in this compressor business? Comes from making the installed base for the aftermarket. That's the biggest source of your profit. It's not from the sale of equipment, right? Right. Yeah. So when you look at an Atlas, Copco and Ingersoll rand their install base is huge. Yeah. So if you really look at ELGI's profitability over the last 10 years, we have made that shift, right. And that shift has come from the increased install base. Yeah. So our challenge is to keep increasing our install base gain, keep gaining market share, right, the minute you gain market share, then the aftermarket feeds you with profit, right? Because selling an equipment at a thankless business, right? And the only reason we are in this business because of the after mark, right? How do you get more and more of your equipment? Coming to you right for parts, right? That's the challenge. Yeah. Getting more machines in and making sure as much as 100% comes back to. So if you look at dissect the profitability just to give you an example, the profit margin on equipment by and large, whether it's us or Atlas Copco at a gross margin level will probably be 20-25% right. The gross margin and parts will be anywhere between 60 to 80%. Right. So you go and take Atlas Copco's numbers and do the math and you'll roughly know where it's coming from.

ANALYST : Yeah. So just down to the spares mix and not with the product differential like they are heavy on centrifugal, we are heavy on screw,

MANAGEMENT : the product mix doesn't significantly alter profitability, right.

ANALYST :Got it, got it.

MANAGEMENT :And does a little bit but not significant.

ANALYST :Got it. And on gaining market share, this C 2k CK 2 is a huge jump. We are at 1.8% It looks like you're targeting IRS at 18% that's a 10X.

MANAGEMENT :We we'll get to a number if you get 10% of the market,

ANALYST :10% of the market share.

MANAGEMENT :So our growth really is five times. We need to grow

ANALYST :5X in the next 10 years. Yeah, got it. OK. Thank you. Yeah.

VIPIN GOEL (ANALYST):Hello yeah. Yeah. Hi, Sir. Vipin Goel from Mirabilis Investments. First of all, thanks for putting up such an elaborate presentation. So I have a question on I mean just going back to three years specifically to US market. So there was a period where inflation happened and then supplier customers sort of kind of started looking for alternatives wherein we stepped in and gained some market share. So I understand that a lot large part of this was again the cyclical portable business. Which to my understanding is about 15% of the US business, if I'm not wrong. So how has exportable? How has that business moved and how much of those market share gain that happened during that time? How much of that has been sustained? So has it moved back? And if it has, then would have been the reasons,

MANAGEMENT: OK. So I'll try to answer the question to the best that I've understood right. So if you if you keep the portable business out. And you look at FY23.Yeah, sorry FY -24 right. We lost share In all the businesses, because of our ERP, right? Inability to deliver rather than losing customer, right. In FY24, sorry in FY 25 this year. We've on the on the industrial side, we have more than made-up. Yeah, we have recovered all that and we are growing, you know, and our growth rate in that business is back to what we were at the COVID, yeah. I can't give you specific numbers because too sensitive. Medical again had a problem in FY24 In 25 they've come back and their order backlogs have been at record levels Right. We have never seen this kind of order backlogs, right? Our biggest challenge is our distribution business and that too on the service side, right It is the whole process, the software parts, going service

technician being allocated. You know that whole algorithm is where our challenges we are progressively getting over it right. So the coming year will be positive.

ANALYST :Plus there is one. Yep. So to summarize, basically there was some distributorship gains, there was some market share gain, but that kind of couldn't be sustained because of ERP implementations.

MANAGEMENT : 23 was an all-time record, right, FY 23. Then we lost. OK in 24, OK. We gained it back in 25 .

ANALYST : got it and a follow up on this is given this backdrop. Is somewhere in the slide. I saw 7% growth for the ROW.

MANAGEMENT : Hold up.

ANALYST :I don't have the rest of the world. That's what we are projecting, at least for 26.So what's the long term sustainable growth that you see for U.S. markets specifically given it's the largest? Piece within our order.

MANAGEMENT :The way we are looking at the US market, we should be. Middle double digit growth is possible, right? Because our share of the market is so small and the market is so big. It's not just grunt work in the market, but it's these kinds of technology plays that we are going to do. Stabilizer is only one right? There are some extremely interesting. Other stuff that's in the pipeline. Right. So we progressively keep bringing these into the market, right? that's what is going to give us that. It's not just going there dumping your price and going. And finding distributors just to, you know, like a Willy nilly Amazon model, you know, you just put it out there and see what sticks. Yeah, no. It's about being very deliberate and saying these this is the value proposition we're going to bring to customers and through that game share right cause. That's the only way you're going to grind sales and profits Otherwise it just going to be sales.

ANALYST : Post FY26, I mean even again if you're doing double digit, yeah, growth in US and including other markets, you're a possibility.

MANAGEMENT: That's our expectation.

ANALYST :Sure. Thank you, Sir. That's.

MANAGEMENT: Yeah, sorry.

ANALYST (AMIT ADWANI): Hi. So, thanks, Amit Adwani from PL Capital. First question again on stabilizers as you said. The product I think is already ready. Any market sizing we have done with respect to how finally we should be reaching to the customer, you talked about two versions, the light version and the heavy version and light version can be fitted on all the brands. So are we going to reach through the distributors, any market sizing, any costing like will it cost 1lakh like 2,00,000 for retrofit? And what kind of number of machines we're targeting or let's say next 1-2 years to? To fit the stabilizers. Yeah.

MANAGEMENT : OK. So again, this stabilizer is not a product, it's a technology, right? Ultimately, what we'll sell is a compressor. Right, which has the technology built into it right now? How does stable? How will stabilizer help us? Is it's going to help us by improving our 2 levels. Help us with our win ratios when we are in front of the customer because we are presenting a unique value proposition that the that the competitors cannot give right, that's one. How is that going to get played out? Tough to say? Yeah, it's like saying I've come up with a compressor, which is 10% more efficient, right? Can I put a number in terms of how much shared I'm going to gain? Difficult to say, but I know that I will gain more. Right. That's one part of it. The other part of The thing is retrofitting. That's more our we're not competing with anyone in that thing. We're competing with the customer's wallet, yeah. Now, how compelling can we make that right? There the question is not is a question between cost and pricing, right? So cost is literally very low, right? Then it's a question of pricing. Yeah. Now, how do we price to get? The system. Do you want to price it in such a way you want to be greedy and make money in day one? Or do we want to price it in such a way that you want to gain some share in the market and then price yourself better later tomorrow? This is a strategy that we are working on, right? But the benefit we have is cost is not a factor. Right, the cost is not a factor in this pricing. It is a strategy that's going to be the fact you know. Yeah, sorry.

ANALYST :It's so second question on during the factory visits we. Definitely saw moving to aluminium motors for cost efficiency in house grinding machines. For better lead time, yeah. Any target in mind with respect to the cost savings because of all these initiatives and investments which you have been talking about? Let's your next 2-3 years. Is there a scope that we can improve only because of these things? Maybe 2-300 bibs or something like that.

MANAGEMENT: Can't give you a consolidated number, right? But just to give you an example, 30% of a compressor is the air end .Roughly. Yeah, out of that 30%, let's say 90% is the router. Yeah, in that 90%, another 90% is the cost of the machine too. Right. So if you look at it, the cost of the machine tool comes to around 18-16 to 18% of the cost of the compressor. Now if I'm able to reduce that by 1/5th right, then I have 3% gain. I mean, this is nominal math,

right? But how is it going to get tied in when you do 450 million and that too you remove the aftermarket, it's very difficult to put a number but you know strategically or in the right direction, because when you do it at an individual asset level, it makes a lot of sense, yeah.

ANALYST :So last, if I can, what is constraining us to getting into gas compression or refrigeration compression despite we got into pumps, which you said is far adjacency,

MANAGEMENT: no, no, no to vacuum. We are not sorry.

ANALYST : Vacuum. So is there a constraint? What is strategy? What is our strategy of not getting into gas compression, refrigeration, compression, commercial compression? Any thoughts on that? Yeah. Thanks.

MANAGEMENT :Just a distraction. That's all we know We know. We know how to build those products, right? Can we build a gas compressor? Yes. Can we build a refrigeration compressor? Yes, but it's a completely different customer, different set of sales, different value proposition, different set of competitors. It's all a distraction when you have 20 odd billion here. Why waste your time? So I'll give it to him, yeah.

ANALYST :So 2 questions. One again on this technology of the this thing stabilizer, is there any way we can assess that? With a newer technology, does the repair and you know maintenance of the compressor go down because that is going to be a significant share in the future. And 2nd we had couple of innovations. If you look in the last five to seven years, one was where we were trying to disrupt the oil flooded compressor market with the oil free? By bringing the cost down and offer it at almost similar cost and now with you know, the stabilizer technology. Is there some thought where we need to be aggressive? You know, in doing this and gaining more installed market share base or some thought process on that because even that oil free was a significant step.

MANAGEMENT :So the yes, the idea of the stabilizer is like, you know, if the inverters, I mean 10 years ago you didn't have inverter in your A/C/Correct. Now nobody buys an A/C without an inverter. A big share of the A/C, whether it's a split A/C or package ACS, they come with an inverter so We believe that now today the inverters too expensive in a compressor right. 30% of the value of the of a fixed speed Mach. Right now that means 70% of the customers don't buy it. Yeah. Now we can go to that 70% and say. Here is something right which is 1/6th, let's say 5% right of the value fixed machine, right? There is a huge value proposition right now. How do we get there? Is the is the challenge right? That's an good problem to have, yeah. So we need to figure that out now. Why are we? Your other question

was the. Yes, the that's going to be huge. But the point is we can't prove it now. We can give when a machine goes up and down, up and down, up and down, up and down. All the systems are shaking, yeah. It's like when you're driving a car. You drive. Let's assume you're driving on a highway. Constant speed with absolutely no disruptions. The life of your car goes up hundred X as opposed to in the city. You're constantly shifting gears, shifting gears, right. Just imagine. The car runs at constant speed. The highway and in the city. But it gives you different speeds. That's the stabilizer, right? The machine will continue to run at the same speed now. The advantage of that is there are no pulses, there are no shocks to the system. Our theoretical calculation shows that could be a 10X improvement in the life of the pods. Yeah, but we don't want to wait 10 years to test and prove that. Yeah. So we'll get in. We'll use theory to explain to the customer over a period of time they will experience it. Yeah.

ANALYST :Will it be like a killing a golden ghost with your spare parts?

MANAGEMENT: Spare parts will be the same. Yeah. In fact, we can come up with spare parts that are lower cost. Right, but better profit. That's possible, yeah. Sorry. Yeah, sorry I don't know your . Yeah.

ANALYST: Does that mean it's an errand replacement?

MANAGEMENT: Actually, for the light for the competition, there's no we won't touch their error and we won't do anything, yeah. Sorry, he's got a question too. Yeah, yeah.

MANAGEMENT :First of all, it's not true that we sell below 55.No, no. A share in the higher kilowatt. We are No 2 ,In the market, right? So we're not, we're not a small compressor company as opposed to most people believe, right. Our distribution across kilowatt is comparable to the industry standard, right? So that's not an issue at all, yeah. In our distribution operations in the US and Australia, we do, but we don't do it strategically as a business in the company, right? Yeah, please. Yeah.

ANALYST: sCouple of question. Firstly, on the Siemens order, you mentioned that we've supplied 10 units in FY25.So is it a fixed order or it is a variable demand led order?

MANAGEMENT: So they have got a tender from the government for X number of locomotives that is scheduled to be supplied, right as long as the government sticks to that buying schedule, we will then have that same schedule, right. So the supply is for how many compressors? Thousands. Yeah. So about 2400 units over a 12 year period, but the

maintenance and service and all that goes to 35 years yeah , So we are on track for 200 units this year. Provided the government buys 200 in FY 26 from Siemens and then yes, OK.

ANALYST :And the second question is on the cost. The last five years when we entered Europe, we are 17% employee cost to our revenue in FY18.Now it is close to 20-21%.So do you think that this? Percentage to sales has picked up because you mentioned that we are significantly in the market today. So how how do you see the cost in Europe and us banning out over the next years?

MANAGEMENT: The call people cost as a percentage of sales has to keep coming down, right? But you know, when you go into the market, there is a certain common minimum that you need to invest in, right? So the percentage starts off being very high and over a period of time it starts going down right partly by our own lessons that we learn in the market Of what roles have to be taken out and what roles we need to fill? We learn in the market partly also because of the top line going up. Yeah.

ANALYST :So so it has peaked in terms of percentage in terms of yes, in FY2525 and one last question service. You mentioned that we are at par with any other players in India. Like this service and spares revenue.

MANAGEMENT :In India, we are probably little lower than the than maybe Atlas, but I think we will be better than in

ANALYST : And that figure would be how much in FY25 percentage

MANAGEMENT :of the market would be about 28% roughly

ANALYST : OK and globally what would that level? be Would it be in single digit today?

MANAGEMENT: It's not single digit, it's a small double digit, right? OK. And that's really where the potential is for us to improve our profitability. OK.

ANALYST: Thank you.

MANAGEMENT: Yeah. Yeah, please. Somebody's so sorry. Can we take one? Sorry, go ahead. Go. Can you unmute yourself and ask the question your I'm not. I don't know your name, but your initials are YV.

YASH VERMA (ANALYST):Yes, Sir. Can you hear me now, Sir?

MANAGEMENT:Yep I can.

YASH VERMA (ANALYST):Yes, Sir. So my name is Yash Verma. So Sir, I have couple of questions. My first question is on the aftermarket opportunity.

MANAGEMENT:Yeah.

YASH VERMA (ALALYST):When you talked about that, it is a very milking opportunity. I just want to understand if a product worth X rupees is supplied, how much value comes back in form of an after market of customers sticks with you over the life of the product.

MANAGEMENT:OK, I'll give you a rough thumb rule. I think we have spoken about this in the past. So if everyone dollar of equipment sales gives you \$2 of profit over 10 years, Yeah. So you can do the math .Yeah. So if you look at Arida being 16%, if it is \$2.00, then your revenue is $2 / .16$.Right. You bring it to yours Phenomenal level. You will know what the revenue is. Yeah, roughly.

YASH VERMA (ANALYST): Understood. So very well understood. And the second question is around the factory shift. What we are trying to do, where we are moving our facilities from cities to the one concentrated location, will it add any incremental capacity or the benefit of that factory shift will only be available or express in the margins?

MANAGEMENT:It will increase our capacity, but you know, unfortunately buildings are not. They don't produce money immediately. Machines do right, but buildings are liabilities that we need to invest in, because once you reach a certain size and the building is not big enough, you need another building, right? So part of the investment is a little non productive in a sense. But part of it is going to give you increased capacity.

YASH VERMA (ANALYST):And will it be possible to quantify how much capacity expansion we can happen from this 700 CR of cap ex?

MANAGEMENT :The the GSC is going to what is up, how much? How many X are we going to do more in GS? No. If it is 100 now, there was a number in our presentation, some X multiple. I think it was 2X.x yeah. Is it 3?X on one on our global support centre and I think in our portables thing 1.5 times, yeah.

YASH VERMA (ANALYST):Understood. And so my final question was on the pricing of the products.

MANAGEMENT :OK. Yeah.

YASH VERMA (ANALYST):How has a pricing moved in respect to premium and discount versus? Our competition in key geographies like India, US, Europe for like to like products.

MANAGEMENT:We have an increased our prices in the last three years. We did a big increased just the year after COVID because there were a lot of distortions in commodity pricing .Since then, we have held it firm right. So that's an opportunity we will look at in the future, right? So I need to now go here because we're running out of time.

ANALYST :Also, I'll just keep it quick. In your internal meetings or town hall discussion. So at this stage of ELGI's evolution. So what do you tell your team that we are punching below our potential at across functions?

MANAGEMENT: What do I tell them?

ANALYST :What do I what do you tell your team that we are not? We are punching below our will. True potential of ELGI.

MANAGEMENT :Our ability to get in front of the customer, that is our biggest weakness, right. We need to be in front of the customer more. Yeah. And how do we figure that out? Right. That's really the problem. Can we make great machines? Yes. Can we produce in volumes? Yes. Can we ship them to where it is required? Yes. So that means we is our pricing good. Yes, the quality, good, outstanding. You just need to get in front of the custom, right? So how do you do that right? That's a challenge, and that's a challenge we working on across the the world. Yeah.

ANALYST :The second question, last question. So last 4-5 years, we invested in all the senior management talent. I think five years back, I know you to took all the pain of walking through the entire presentation. That has changed. You must have seen the reflection in the background. Yeah. So, in which case I'm asking, you know, like how they saved your bandwidth today on a day-to-day basis? What excites you the most right now?

MANAGEMENT: So yeah, when you fill, when you open capacity, gets filled out. So there's nothing like, oh, now we've got a team. So now do you have time? No, it just seems to get filled.

ANALYST :I'm asking five years back, this could have been one of the bottleneck for you, right? Identifying the next set of people would have been a bigger bottleneck. OK, I remember we discussing the same thing.

MANAGEMENT: Yeah, yeah, yeah.

ANALYST :So with that problem at least is put to rest. I know it's evolving. It's a data job.

MANAGEMENT: Your ambition becomes more ambition. And therefore it fills up more, right, so. Yeah. Last question on this. Yeah.

ANALYST : Yeah. My name is Rahul Ghazre from Haitong. My question is in two parts, one in your motor development, you know you talked about moving from IE3 IE4 for your open market and I saw IE 7 also I want to know whether you have already developed that capability

MANAGEMENT: of IE seven. Yeah, yeah, all are. Permanent migrant motors that are now running in the field. See first of all. The standards organization is defined only up to IE5. Nothing exists beyond IE five. We call it IE 7 when we draw the line of where we are on our efficiency, we think it'll be roughly IE 7.

ANALYST :OK.

MANAGEMENT :So IE 7 is our internal thing. We are far ahead of IE 5, which is the maximum today. Yeah. And we have developed our permanent magnet motors are at that standard of efficiency.

ANALYST : Now taking this to the next level, you've done foundry. That was for captive you've got into motors, that is for captive. You've taken one step and you've done CNC machines. You know, some good machines. All of this is for captive. Now this business has been growing at, you know, low single low double digits for a very long time now. Obviously you have ambitions to become the number three player. Do you see ELGI? You know, with capability proven in some of these areas? You know, to become your other growth vehicles. Obviously that's going to take bandwidth, but envisage that

MANAGEMENT : at the moment though, to be very honest with you. No. Yeah, it is. We believe that the minute we build the motor business as a standalone business. It'll be a huge distraction, right? We need to create its looks. Product is not the only thing that does business right. The minute you go into it. Is customer engagement customer service? All the accounting administration, the warranty completely different, right? So this is not a distraction that we need, right? OK. And the motor business, if you go and start selling. Not very profitable compared to the compressible,

ANALYST : OK. Thank you very much. Yeah, so. Yeah.

MANAGEMENT :You know, if you pay a let's say a 6X multiple to a distributor right on a bidder Without that, you're not going to buy them. It's not the most cost efficient capital efficient investment to get in front of the customer. We have done it three times in the past because we couldn't find organic, independent distributors, right? We will continue to look at it, but our first preference is to go with. Established independent distributors and the more and more we bring technology like this, the more the doors will open for us and we'll get sucked into their business, Yeah. No. When they acquire, they kind of dilute it. So the owners retired in Florida, right? He's having a good time, right? So They're not there, yeah. Thank you very much again. Thank you all for coming and for your insightful questions. It's always a pleasure. Like we said, we'll send the feedback. Please fill out the feedback form that helps us. We'll make sure that the response to the feedback comes within a week's time from now, and we promise you in the next one, we'll be in Mumbai. Yeah. Thank you. Thank you very much.

SHRUTHI SIVAKUMAR: The the feedback form is on the table. Thank you.
