



BSE LIMITED PHIROZE JEEJEEBHOY TOWERS DALAL STREET MUMBAI - 400001	NATIONAL STOCK EXCHANGE OF INDIA LIMITED "EXCHANGE PLAZA" BANDRA KURLA COMPLEX BANDRA (E) MUMBAI - 400051
Scrip Code: 522074	Scrip Code: ELGIEQUIP

E: SEC: 1002

DATE: 02/09/2020

Dear Sirs,

Sub: Intimation of formation and investment in the Joint Venture Company "PLA Holding Company, LLC" (and Pattons of California, LLC as subsidiary of PLA Holding Company, LLC) by Elgi Compressors USA Inc, wholly owned subsidiary of the Company.

We wish to inform that the Company's wholly owned subsidiary Elgi Compressors USA Inc, (ELGI USA) has formed a Joint Venture Company by name PLA Holding Company, LLC, a North Carolina Limited Liability Company with 50% ownership along with Jeffery Brandon Todd, Joint Venture partner, who will also be the Manager of PLA Holding Company LLC, holding 50% ownership. Patton's of California, LLC, a California Limited Liability Company has been formed as a wholly owned subsidiary of the PLA Holding Company, LLC. This structure, as recommended by experts, is to further the Company's business interests of distribution, sale, maintenance, servicing and repair of air compressors in Los Angeles area of USA. This subsidiary shall only sell ELGI branded product within the oil flooded rotary screw category and it shall be the exclusive distributor of ELGI branded product within the oil flooded rotary screw category that maintains a physical presence (and not including national or regional distributors who distribute ELGI branded product via internet or mail order only) and the exclusive maintenance and service provider for ELGI branded product within the oil flooded rotary screw category.

ELGI EQUIPMENTS LIMITED

Trichy Road, Singanallur, Coimbatore - 641005, Tamilnadu, India

T : +91 422 2589 555, W : www.elgi.com, Toll - free No : 1800-425-3544, CIN : I 29120TZ1960PLC000351



The operating agreement of PLA Holding Company LLC was signed by ELGi USA and Jeffery Brandon Todd on 1st September, 2020. ELGi USA has subscribed and made its first tranche of investment of \$ 25,000 out of the proposed total investment of \$ 1,00,000 in Class A shares. Rest of the investment in Class A shares will be made in tranches and will be completed by December, 2020. Jeffery Brandon Todd, the joint venture partner, has also made his first tranche of investment \$ 25,000 out of his proposed total investment \$ 1,00,000 in Class A Shares, representing 50% of the total capital of PLA Holding Company, LLC. He will not be eligible to participate in Class B Shares. ELGi USA will be the only Class B shareholder. Both Class A & Class B shares carry voting rights. Capital Contribution of ELGI USA with respect to the Class B Shares shall be through certain equipment, and also monetarily in different times.

The details as required under SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015 are given in Annexure-A.

Kindly acknowledge the receipt of this letter and update your records.

Thanking you,

Yours faithfully,

For **ELGI EQUIPMENTS LIMITED**

**RAGUNATHAN K
COMPANY SECRETARY**

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<p>Name of the Company details in brief such as size, turnover etc.,</p>	<p>PLA HOLDING COMPANY, LLC A North Carolina Limited Liability Company.</p> <p>Proposed Holding Structure: Ownership: Class A & B shares (2 Classes, both voting)</p> <table border="1" data-bbox="719 546 1501 1279"> <thead> <tr> <th>Class</th> <th>Name</th> <th>Nature of holding</th> <th>Share Capital</th> <th>Percentage of holding</th> </tr> </thead> <tbody> <tr> <td>Class A</td> <td>ELGi Compressors USA Inc</td> <td>Member</td> <td>\$1,00,000</td> <td>50%</td> </tr> <tr> <td>Class A</td> <td>Jeffery Brandon Todd</td> <td>Member /Managing Partner</td> <td>\$1,00,000</td> <td>50%</td> </tr> <tr> <td>Class B</td> <td>ELGi Compressors USA Inc</td> <td>Member</td> <td>Capital contribution will be through a combination equipment and cash</td> <td>0%</td> </tr> </tbody> </table> <p>Class B:</p> <ul style="list-style-type: none"> • Preferential Payment of invested capital with preferred return <p>Turnover: NIL</p>	Class	Name	Nature of holding	Share Capital	Percentage of holding	Class A	ELGi Compressors USA Inc	Member	\$1,00,000	50%	Class A	Jeffery Brandon Todd	Member /Managing Partner	\$1,00,000	50%	Class B	ELGi Compressors USA Inc	Member	Capital contribution will be through a combination equipment and cash	0%
Class	Name	Nature of holding	Share Capital	Percentage of holding																	
Class A	ELGi Compressors USA Inc	Member	\$1,00,000	50%																	
Class A	Jeffery Brandon Todd	Member /Managing Partner	\$1,00,000	50%																	
Class B	ELGi Compressors USA Inc	Member	Capital contribution will be through a combination equipment and cash	0%																	
<p>Whether the acquisition would fall within related party transactions and whether the promoter / promoter group / group companies have any interest in the entity being acquired</p>	<p>NO. The promoter / promoter group / group companies do not have any interest in the equity being acquired.</p>																				
<p>Industry to which the entity being acquired belongs</p>	<p>Capital Goods-Air Compressors and its spares.</p>																				



Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	PLA Holding Company, LLC will function as the holding company of its wholly owned subsidiary Pattons Of California, Inc which will act as an exclusive dealer / distributor for Elgi Compressors USA Inc, (wholly owned subsidiary of Company) for the ELGi rotary screw (oil-flooded or oil-free) compressors in Los Angeles, U.S.A.
Brief details of any governmental or regulatory approvals required for the acquisition	None
Indicative time period for completion of the Investment	December, 2020
Nature of consideration – whether cash consideration or share swap and details of the same	Cash – Investment will be made in tranches by both the members.
Cost of acquisition or the price at which the shares are acquired	Elgi Compressors USA Inc, has invested \$ 25,000 under Class A, being the first tranche of investment out of the total investment of \$ 100,000 and capital contribution amount under Class B shares will be through a combination equipment and cash.
Percentage of shareholding / control acquired and / or number of shares acquired	50%
Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information	PLA Holding Company, LLC is registered as a limited liability company with the Secretary of the State, North Carolina. PLA Holding Company, LLC will be Manager-Managed, with Member Jeffery Brando Todd serving as the Manager.

For ELGI EQUIPMENTS LIMITED

RAGUNATHAN K
COMPANY SECRETARY

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