

Exploring new horizons in Africa

Elgi has identified overseas business in Africa as a major thrust area and has achieved a quantum growth in its export business by consolidating its presence in African markets and venturing into new markets in 2005-06, enhancing its presence in 63 countries from 42 in 2004.



The recent order worth US \$.25 million for diesel powered portables won from Cobalt Mines in Congo has further strengthened Elgi's marketing activities in the region. This is a significant breakthrough for Elgi amidst intense competition from compressor majors like Atlas Copco and IR. The present order is the second such order that Cobalt Mines has repeated with Elgi for rotary screw compressors in the same year. These diesel powered screw compressors join Elgi's earlier supply of electric powered screw compressors for meeting varying needs of mining sector to global standards.

The growing acceptance of Elgi products together with its reputation for excellence in delivery, high reliable performance, service support, competitive prices, and proven technical capabilities, were the main reasons for selecting Elgi to award repeat orders for electric and engine driven rotary screw compressors in Africa. Elgi has also been approved as a registered vendor for the supply of spares to the South African Railways.

Supported by the strong mining demand and good growth in the construction sector, Elgi has evolved as a strong player in Kenya with 20% of the total market share for electric powered screw compressors. The shipment of over 30 units of electric powered screw compressors has created a huge demand with edge over competition, despite Atlas Copco's base at Nairobi for the East African region.

As part of its global expansion strategy, Elgi has penetrated into new markets in Sudan with its supply of electric powered screw compressors for a major Sudan cement project.

The automotive equipments from Elgi are also gaining popularity among the auto-majors like Maruti and Tata in Africa. The US \$.1 million orders for automotive equipments from Maruti dealer in Sudan, is expected to create greater business opportunities in furthering our automotive equipment's presence in the African countries.

Recently, Elgi has entered into a strategic tie-up with Voith Turbo, a German multi-national to meet the increasing requirement for Elgi products in South Africa. The dealer's network is also being strengthened in West Africa in order to augment our business exploration process in the African region.