



**Press Release – 03/08/2021**

**Elgi Equipments Limited – First quarter 2021-22 results**

Elgi Equipments Ltd, manufacturer of air compressors, posted a PAT of Rs. 12.02 Crores for the June 2021 quarter, compared to a loss of Rs. 8.73 Crores in the same period in 2020-2021, on a consolidated basis. The standalone PAT for the quarter was Rs. 26.01 Crores as compared to a loss of Rs.7.06 Crores in the same period in 2020-21.

Consolidated sales for the quarter was Rs. 489 Crores as against Rs. 286 Crores in the corresponding quarter in 2020-2021. Standalone sales for the quarter was Rs. 301 Crores compared to Rs.119 Crores for the same quarter in 2020-21.

The second wave of Covid and associated lockdowns impacted business primarily through supply chain dislocations. The demand for products globally, continued to remain reasonably strong, though in India it was slightly muted compared to the rest of the world.

The spiraling raw material prices in 20-21 continued during the first quarter of this year and this had a significant adverse impact on profitability. Multiple price increases by the company yielded results with significant time lags, which is typical of capital goods. The company has not fully recovered the cost increases from the market.

Despite very difficult times faced by the automobile industry, sales of the Company's automotive business increased by 39% when compared to the corresponding period of 2020-21. Here also, the impact of raw material price increases was acutely felt.

**Outlook for the second quarter -2021-22**

The Company expects to perform well in the second quarter if the pandemic related impediments do not adversely impact its operations. The pressure on profitability will continue but the company hopes to make up some of this through increased volumes.

**For Elgi Equipments Limited**

**Jayakanthan.R**  
**Chief Financial Officer**

**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** : L29120TZ1960PLC000351