

17th December, 2018

To,

The Manager (Listing), The BSE Ltd. Mumbai	The Manager (Listing), National Stock Exchange of India Ltd. Mumbai
Company's Scrip Code: 505700	Company's Scrip Code: ELECON

Sub : Credit Rating Update

Ref : Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

With reference to the subject referred regulations, we would like to inform you that the credit rating agency viz., Brickwork Ratings India Private Limited (BWR) vide its letter Ref. No.BWR/BLR/HO/ERC/MM/3707/2018-19 dated 10th December, 2018 received by the Company on 17th December, 2018, has upgraded its ratings of various credit facilities as follows:-

Particular of facility	Ratings
Long Term Loans -	BWR A- (Outlook - Stable)
Long Term Fund Based Working Capital Limits -	
Long Term Non-Fund Based Working Capital Limits -	

A copy of the letter issued by the abovementioned Rating Agency is enclosed for your reference & records.

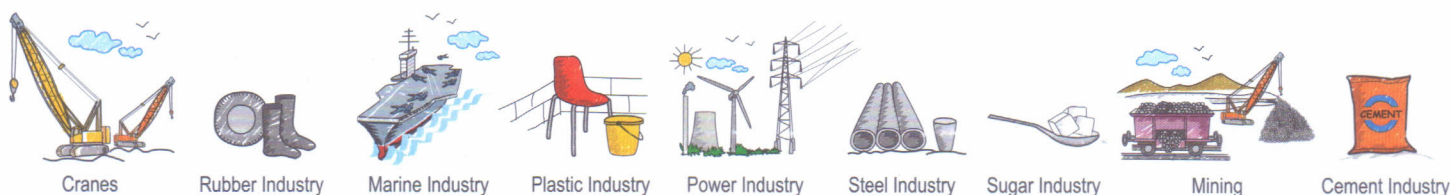
Thanking you.

Yours faithfully,
For Elecon Engineering Company Limited


Bharti Isarani
Company Secretary



Encl: a/a



Gearing industries. Gearing economies.



SEBI Registered
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BWR/BLR/HO/ERC/MM/3707/2018-19

December 10, 2018

Mr. Kamlesh Shah
Chief Financial Officer
Elecon Engineering Company Ltd.
P.O Box No. 06,
Anand Sojitra Road
Vallabh Vidya Nagar – 388120
Gujarat

Dear Sir,

Sub: Review of Ratings for the bank loan facilities aggregating Rs. 1257.43 crores (Rs. One Thousand Two Hundred Fifty Seven Crore and Forty Three Lakhs only) of Elecon Engineering Company Ltd.

Pased on a review of the information and clarifications provided by you, Brickworks would like to inform you that the Ratings for the bank loan facilities of Elecon Engineering Company Ltd., aggregating Rs.1257.43 crores are revised as under:

Facility	Amt Rated (Rs. Cr)				
	Previous	Present	Tenure	Previous Rating (May 2018)	Current Rating
Term Loans	179.75	144.43	Long Term	BWR A- (Pronounced as BWR A Minus) (Outlook – Negative)	BWR A- (Pronounced as BWR A Minus) (Outlook - Stable)
Fund Based Working Capital	323.00	318.00			
Non-Fund Based Working Capital	779.00	795.00			
Total Amt	1281.75	1257.43 (Rs. One Thousand Two Hundred Fifty Seven Crore and Forty Three Lakhs only)			

* Annexure I gives details of bank-wise facilities

Note: ¹ Please refer to BWR website www.brickworkratings.com for definition of the rating assigned

The Ratings are valid for one year subject to terms and conditions as per your mandate letter and other correspondence, if any, and Brickwork Ratings' standard disclaimer appended at the end of this letter. You are required to submit information periodically as per annexure for the purpose of surveillance/review. You are also required to keep us



Brickwork Ratings India Pvt. Ltd.

3rd Floor, Raj Alkaa Park, Kalena Agrahara, Bannerghatta Road, Bengaluru - 560 076

Phone: +91 80 4040 9940 • Fax: +91 80 4040 9941 | info@brickworkratings.com • www.BrickworkRatings.com

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Elecon Engineering Company Ltd.

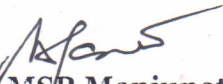
December 10, 2018

informed of any information/development that may affect your Company's finances/performance without any delay.

Please acknowledge receipt.

Regards,




MSR Manjunatha
Head – Ratings Administration

Note: In case of all accepted Ratings, respective Rating Rationale is published on Brickwork Ratings website. Interested persons are well advised to refer to our website www.brickworkratings.com, if they are unable to view the rationale, they are requested to inform us on brickworkhelp@brickworkratings.com

Disclaimer: Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.



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Elecon Engineering Company Ltd.

December 10, 2018

Annexure – I

Details of Bank credit facilities as per information provided by the Company

Banks / Financial Institution	Term Loans		Working Capital		Total Amount to be rated
	Sanctioned Amt	Outstanding Amt.	Fund - Based	Non-fund based	
IFCI Ltd.	95	92.8			93
Aditya Birla	60	27.75			27
Tata Capital Financial Services Ltd.	25	22			
Bank of Baroda			50	273	323
State Bank of India	12	0	150	384	534
IDBI Bank	10	1.88	36	64	102
Axis Bank			44	74	118
HDFC Bank			38	0	38
Total	202	144.43	318	795	1257.43

(Rs. One Thousand Two Hundred Fifty Seven Crore and Forty Three Lakhs only)





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Elecon Engineering Company Ltd.

December 10, 2018

Annexure – II

The following documents/ information should be submitted to BWR periodically:

1. Confirmation that all terms and conditions of the Bank's sanction letter have been complied with by the company.
2. Certified copy of periodical inventories/book debts/bills receivables statements submitted to the bank.
3. Confirmation about payment of term loan installment and interest as and when paid.
4. Certified copy of Quarterly Information Statements (QIS) and Half Yearly Information Statements (HYIS) submitted to the bank.
5. Certified Copy of Banks' Statements of Accounts on a quarterly basis.
6. Quarterly / Half yearly financial statements (unaudited or with limited review) and Annual financial statements (provisional as well as audited).
7. Information on delays/defaults in servicing bank loans, letters of credit, letters of guarantee, NCDs, bonds and other borrowings, if any, by the Company as at the end of every month.
8. Information on delays / defaults in servicing of debt obligations of any subsidiary / other group companies, if any, as at the end of every month.
9. Annual Stock Audit Report
10. Monthly No Default Statement as per specified format
11. Any other statement / information sought by BWR from time to time.

