ELECON
GEARING THE FUTURE

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22nd October, 2019

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 : Outcome of Board Meeting held on Tuesday, 22nd October, 2019

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

Dear Sir/Madam,

In terms of the subject referred regulation, this is to inform you that the Board of Directors of the Company has, at its meeting held today i.e. 22nd October, 2019, *inter alia*, -

Approved the Unaudited Financial Results (Standalone & Consolidated) alongwith Limited Review Report of the Company for the quarter and half year ended on 30th September, 2019.

The meeting commenced at 11:00 a.m. and concluded at 3.25 p.m.

ELECON ENGINEERING COMPANY LTD. V.V. NAGAR

You are requested to take the same on your records.

Thanking you.

Yours faithfully,
For Elecon Engineering Company Limited,

Bharti Isarani
Company Secretary & Compliance Officer

ELECON ENGINEERING COMPANY LTD. V.V. NAGAR

Encl.: As above

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ELECON ENGINEERING COMPANY LIMITED, Post Box # 6, Vallabh Vidyanagar - 388 120, Gujarat, India. **Tel.:** +91 - 2692 - 238701, 238702. **Fax:** +91 - 2692 - 227484.
CIN L29100GJ1960PLC001082 | **infogear@elecon.com** | **www.elecon.com**

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ELECON ENGINEERING COMPANY LIMITED

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2019

(Amounts in INR Lakhs)

Sr. no	Particulars	Quarter Ended			Six Months Ended		Year ended
		30 Sep 2019 (Unaudited)	30 Jun 2019 (Unaudited)	30 Sep 2018 (Unaudited)	30 Sep 2019 (Unaudited)	30 Sep 2018 (Unaudited)	31 Mar 2019 (Audited)
1	Revenue from operations	20,567.23	21,330.55	25,970.37	41,897.78	49,418.78	95,546.12
2	Other income	382.40	87.90	895.92	470.30	1,146.18	2,202.74
3	**Total Income (1+2)**	**20,949.63**	**21,418.45**	**26,866.29**	**42,368.08**	**50,564.96**	**97,748.86**
4	**Expenses**						
	(a) Cost of materials consumed	9,130.17	7,634.28	11,539.12	16,764.45	21,995.61	44,860.62
	(b) Changes in inventories of finished goods and work-in-progress	234.03	950.76	(291.88)	1,184.79	(588.48)	(2,421.86)
	(c) Manufacturing expenses and erection charges	3,125.13	5,470.88	6,337.51	8,596.01	11,911.94	21,039.89
	(d) Employee benefits expense	1,650.87	1,742.95	1,857.79	3,393.82	3,725.85	7,286.99
	(e) Finance costs	1,779.40	1,718.81	1,523.06	3,498.21	3,196.26	6,408.15
	(f) Depreciation and amortisation expense	1,098.90	1,035.81	1,089.92	2,134.71	2,163.51	4,357.75
	(g) Other expenses	3,266.21	2,664.38	4,028.27	5,930.59	6,862.39	13,431.66
	Total Expenses	**20,284.71**	**21,217.87**	**26,083.79**	**41,502.58**	**49,267.08**	**94,963.20**
5	**Profit before tax (3-4)**	**664.92**	**200.58**	**782.50**	**865.50**	**1,297.88**	**2,785.66**
6	**Tax expenses**						
	Current tax	-	-	(67.93)	-	-	-
	Adjustment of tax relating to earlier periods	-	-	54.66	-	54.66	345.40
	Deferred tax charge / (credit)	214.56	66.59	445.94	281.15	549.96	1,232.97
7	**Net Profit for the period after tax (5-6)**	**450.36**	**133.99**	**349.83**	**584.35**	**693.26**	**1,207.29**
8	**Other comprehensive income/(expenses) (net of tax)**						
	Items that will not be reclassified to profit or loss	(4.13)	(4.14)	4.39	(8.27)	8.77	(16.55)
	Tax relating to items that will not be reclassified to profit or loss	1.44	1.45	(1.53)	2.89	(3.06)	7.28
9	**Total comprehensive income for the period (7+8)**	**447.67**	**131.30**	**352.69**	**578.97**	**698.97**	**1,198.02**
10	**Paid-up equity share capital** (Face value per equity share INR 2/-)	2,244.00	2,244.00	2,244.00	2,244.00	2,244.00	2,244.00
11	**Debt capital #**				10,000.00		10,000.00
12	**Other equity**				69,338.23		71,757.37
13	**Debenture redemption reserve**				2,500.00		2,500.00
14	**Earnings per share (of INR 2/- each) (not annualised) (In Rupees)**						
	(a) Basic	0.40	0.12	0.31	0.52	0.62	1.08
	(b) Diluted	0.40	0.12	0.31	0.52	0.62	1.08
15	Debt Equity Ratio(not annualised)				0.61		0.64
16	Debt Service Coverage Ratio(not annualised)				0.50		0.85
17	Interest Service Coverage Ratio(not annualised)				1.29		1.55

Represents Non convertible debentures

Ratios have been computed as follows:

a) Debt Equity Ratio : Debt / Equity
Debt: Non-current borrowings + Current maturity of non-current borrowings + Current borrowings
Equity : Equity share capital + Other equity

b) Debt Service Coverage Ratio : (EBIT-Tax expenses) / Debt to be serviced
EBIT : Profit Before Tax + Interest on Debt
Debt to be serviced : Interest on Debt + Scheduled principal repayment of non-current borrowings

c) Interest Service Coverage Ratio : EBIT / Interest on Debt

B S R & Co. LLP AHMEDABAD Chartered Accountants

ELECON ENGINEERING COMPANY LTD. V.V. NAGAR

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Notes:

1 The above unaudited standalone financial results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 22 October, 2019. These results have been subjected to limited review by the statutory auditors of the Company who have issued an unqualified review report. The review report has been filed with the stock exchanges and is available on the Company's website.

2 During six months ended 30 September, 2019, a Scheme of Amalgamation ('the Scheme') between the Company and its wholly owned subsidiary Elecon Transmission International Limited, Mauritius ('ETIL') was sanctioned by the National Company Law Tribunal, Ahmedabad Bench, with an appointed date of 1 April, 2019. Consequently, impact of the Scheme has been given from appointed date (i.e. 1 April, 2019) in the aforesaid unaudited standalone financial results. As per the Scheme, all assets and liabilities of ETIL as at appointed date (i.e. 1 April 2019) have been recorded at their carrying values determined in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and the difference between net assets and equity, after eliminating inter-company balances, is adjusted to 'Other Equity'.

3 As per "Ind AS 108 - Operating Segments", the Company has reported segment information under two segments i.e. 1) Material Handling Equipments and 2) Transmission Equipments.

4 Effective 1 April, 2019, the Company has adopted Ind AS 116 - 'Leases' using modified retrospective approach. This has resulted in recognition of right of use assets equal to lease liabilities as on 1 April, 2019. The adoption of the standard did not have any material impact on the unaudited standalone financial results.

5 On 20 September 2019, vide the Taxation Laws (Amendment) Ordinance 2019 ('the Ordinance'), the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective 1 April 2019, subject to certain conditions. Tax expenses for the quarter and six months ended 30 September 2019 reflect the impact of expected adoption of this option by the Company basis the Management's internal evaluation.

6 Previous period figures have been regrouped / reclassified wherever necessary.

B S R & Co. LLP AHMEDABAD Chartered Accountants

ELECON ENGINEERING COMPANY LTD. V.V. NAGAR

UNAUDITED STANDALONE SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2019

(Amounts in INR Lakhs)

Particulars	Quarter Ended			Six Months Ended		Year ended
	30 Sep 2019 (Unaudited)	30 Jun 2019 (Unaudited)	30 Sep 2018 (Unaudited)	30 Sep 2019 (Unaudited)	30 Sep 2018 (Unaudited)	31 Mar 2019 (Audited)
1. SEGMENT REVENUE						
(a) Material Handling Equipments	6,050.40	7,209.05	9,702.24	13,259.45	18,004.17	34,513.11
(b) Transmission Equipments	14,516.83	14,121.50	16,268.13	28,638.33	31,414.61	61,033.01
Net Sales/Income from Operations	**20,567.23**	**21,330.55**	**25,970.37**	**41,897.78**	**49,418.78**	**95,546.12**
2. SEGMENT RESULTS PROFIT (+)/LOSS(-) BEFORE TAX & INTEREST						
(a) Material Handling Equipments	(436.66)	541.74	532.65	105.08	378.27	(396.87)
(b) Transmission Equipments	2,923.84	1,460.87	2,410.52	4,384.71	4,852.20	10,453.11
Total	**2,487.18**	**2,002.61**	**2,943.17**	**4,489.79**	**5,230.47**	**10,056.24**
Less:						
i) Finance Cost	1,779.40	1,718.81	1,523.06	3,498.21	3,196.26	6,408.15
ii) Other unallocated corporate overheads	161.59	135.64	688.65	297.23	857.79	1,149.16
iii) Unallocable income	(118.73)	(52.42)	(51.04)	(171.15)	(121.46)	(286.73)
Total Profit before Tax	**664.92**	**200.58**	**782.50**	**865.50**	**1,297.88**	**2,785.66**
3. SEGMENT ASSETS						
(a) Material Handling Equipments	54,236.69	57,347.53	64,760.09	54,236.69	64,760.09	60,765.51
(b) Transmission Equipments	123,985.84	121,071.78	110,945.95	123,985.84	110,945.95	115,340.44
(c) Unallocated	14,396.58	15,008.10	18,399.02	14,396.58	18,399.02	18,605.52
Total	**192,619.11**	**193,427.41**	**194,105.06**	**192,619.11**	**194,105.06**	**194,711.47**
4. SEGMENT LIABILITIES						
(a) Material Handling Equipments	35,664.33	37,862.32	47,030.49	35,664.33	47,030.49	40,408.66
(b) Transmission Equipments	75,297.27	74,284.94	63,857.70	75,297.27	63,857.70	70,491.68
(c) Unallocated	10,075.28	9,875.08	9,714.54	10,075.28	9,714.54	9,809.76
Total	**121,036.88**	**122,022.34**	**120,602.73**	**121,036.88**	**120,602.73**	**120,710.10**
5. NET CAPITAL EMPLOYED	**71,582.23**	**71,405.07**	**73,502.33**	**71,582.23**	**73,502.33**	**74,001.37**

B S R & Co. LLP AHMEDABAD Chartered Accountants

ELECON ENGINEERING COMPANY LTD. V.V. NAGAR

For and on behalf of Board of Directors

Prayasvin B. Patel
Chairman & Managing Director
DIN : 00037394

Place : Vallabh Vidyanagar
Date : 22 October, 2019

ELECON ENGINEERING COMPANY LIMITED

STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Amounts in INR Lakhs)

Particulars	As at 30 Sep 2019 (Unaudited)	As at 31 Mar 2019 (Audited)
ASSETS		
I. Non-current assets		
(a) Property, plant and equipment	66,146.76	67,136.28
(b) Right-of-use assets	71.85	-
(c) Capital work-in-progress	362.83	460.93
(d) Investment properties	266.53	273.37
(e) Intangible assets	509.85	612.99
(f) Intangible assets under development	-	24.50
(g) Financial assets		
(i) Investments	12,094.31	16,022.18
(ii) Loans	910.47	52.43
(iii) Other financial assets	402.36	59.45
(h) Non-current tax assets (net)	2,210.28	2,000.14
(i) Other non-current assets	1,990.60	2,331.90
	84,965.84	**88,974.17**
II.Current assets		
(a) Inventories	22,855.08	23,882.56
(b) Financial assets		
(i) Trade receivables	51,633.03	54,669.81
(ii) Cash and cash equivalents	348.25	352.75
(iii) Bank balance other than (ii) above	1,323.96	455.91
(iv) Loans	496.77	484.06
(v) Other financial assets	24,140.89	19,629.23
(c) Other current assets	6,855.29	6,262.98
	107,653.27	**105,737.30**
Total Assets	**192,619.11**	**194,711.47**
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	2,244.00	2,244.00
(b) Other equity	69,338.23	71,757.37
	71,582.23	**74,001.37**
LIABILITIES		
I. Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	14,494.11	21,694.00
(ii) Lease liabilities	3,191.60	-
(b) Provisions	317.54	450.79
(c) Deferred tax liabilities (net)	8,289.93	8,011.67
	26,293.18	**30,156.46**
II.Current liabilities		
(a) Financial liabilities		
(i) Borrowings	24,821.90	23,429.46
(ii) Lease liabilities	945.23	-
(iii) Trade payables		
Total outstanding dues of micro and small enterprises	7,819.38	7,791.33
Total outstanding dues of other than micro and small enterprises	26,154.73	26,436.68
(iv) Other financial liabilities	20,011.36	17,949.48
(b) Other current liabilities	11,451.79	11,702.92
(c) Provisions	1,844.63	1,549.09
(d) Current tax liabilities (net)	1,694.68	1,694.68
	94,743.70	**90,553.64**
Total Liabilities	**121,036.88**	**120,710.10**
Total Equity and Liabilities	**192,619.11**	**194,711.47**

For and on behalf of Board of Directors

S R & Co. LLP AHMEDABAD Chartered Accountants

ELECON ENGINEERING COMPANY LTD. V.V. NAGAR

Place : Vallabh Vidyanagar
Date : 22 October, 2019

Prayasvin B. Patel
Chairman & Managing Director
DIN : 00037394

ELECON

Continuation Sheet :

ELECON ENGINEERING COMPANY LIMITED

CASH FLOW STATEMENT FOR SIX MONTHS ENDED 30 SEPTEMBER 2019

(Amounts in INR Lakhs)

Particulars	For Six months ended		Year ended
	30 Sep 2019	30 Sep 2018	31 Mar 2019
	(Unaudited)	(Unaudited)	(Audited)
Cash flow from operating activities			
Profit before Tax	865.50	1,297.88	2,785.66
Adjustments for:			
(i) Depreciation and amortisation expense	2,134.71	2,163.51	4,357.75
(ii) Finance costs	3,498.21	2,899.71	6,408.15
(iii) (Gain)/loss on fair valuation of investment	41.25	18.48	17.13
(iv) (Gain)/loss on sale of property plant and equipment (net)	2.25	(21.40)	(32.68)
(v) Loss on assets discarded	45.38	-	
(v) Interest income	(167.64)	(46.20)	(702.75)
(vi) Dividend income	(67.60)	(48.28)	(48.28)
(vii) Bad debts written off	18.78	347.61	3,685.91
(viii) Balances written back	-	(695.09)	(1,090.73)
(ix) Sundry balances written off	-	693.00	746.62
(x) Unrealised exchange (gain)	(22.62)	(1.32)	(1.32)
(xi) Provision for other contractual liability & warranty	307.99	128.85	1,091.91
(xii) Reversal of provision for onerous contract	(15.48)	(542.58)	(955.77)
(xiii) Provision for doubtful debts	-	88.21	-
(xiv) Excess provision on doubtful debts written back	(302.71)	-	(3,306.73)
	6,338.02	6,282.38	12,954.87
Working Capital Adjustments			
Decrease/(increase) in trade receivables	3,330.26	3,522.25	6,509.09
(Increase)/decrease in inventories	1,027.48	(832.87)	(3,817.93)
(Increase) in financial assets	(4,676.80)	(6,529.55)	(9,268.50)
Decrease in other current and non-current assets	(303.87)	825.23	921.16
(Decrease)/increase in trade payables	(306.05)	46.22	(1,660.08)
(Decrease) in provisions, current and non-current liabilities	(561.35)	(508.90)	(4,665.34)
Increase in other financial liabilities	147.63	6,015.67	6,372.18
Cash generated from operations	4,995.32	8,820.43	7,345.46
Taxes paid (net of refunds)	(167.16)	(138.53)	(243.95)
Net cash generated from operating activities (A)	4,828.16	8,681.90	7,101.51
Cash flow from investing activities			
Proceeds from sale of property, plant and equipment	11.36	79.75	100.57
Interest received	20.00	46.20	702.75
Dividend received	67.60	48.28	48.28
Bank balances not considered as cash and cash equivalent (net)	(868.05)	2,056.92	1,946.69
Payments for purchase of property, plant and equipment	(962.12)	(699.28)	(1,437.45)
Net cash generated from/(used in) investing activities (B)	(1,731.21)	1,531.87	1,360.84
Cash flow from financing activities			
Proceeds from non current borrowings	-	-	9,974.57
Repayment of borrowings (net) (Note 3)	(3,946.97)	(7,450.36)	(12,260.76)
Proceeds from financing arrangements	4,199.15	-	-
Repayment of financing arrangements	(132.72)	-	-
Finance cost paid	(3,374.04)	(2,962.34)	(6,384.58)
Dividend paid (including dividend distribution tax)	(270.52)	(270.53)	(270.53)
Net cash (used in) financing activities (C)	(3,525.10)	(10,683.23)	(8,941.30)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(428.15)	(469.46)	(478.95)
Cash and cash equivalents at 1 April	352.75	831.70	831.70
Cash and cash equivalents acquired pursuant to merger	423.65	-	-
Cash and cash equivalents as at Balance Sheet date	348.25	362.24	352.75
Components of cash & cash equivalents :			
Cash on hand	0.02	0.02	0.02
Balances with banks			
-In current accounts	348.23	362.22	352.73
Cheques on hand	-		-
	348.25	362.24	352.75

S R & Co. LLP AHMEDABAD Chartered Accountants

ELECON ENGINEERING COMPANY LTD. V.V. NAGAR

ELECON ENGINEERING COMPANY LIMITED

CASH FLOW STATEMENT FOR SIX MONTHS ENDED 30 SEPTEMBER 2019

Notes:

1. Cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2. The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS 7) - *Statement of Cash Flows.*

3. In accordance with para 22 of Ind AS 7 - *Statement of Cash Flow,* cash flows from current borrowings have been reported on net basis since these being working capital facilities, the maturities are short.

4. Movement in financial liabilities and financial assets arising from financing activities:

Particulars	Borrowings	Dividends paid (including taxes)	Finance costs
Balance at the beginning of the year/period	47,410.54	-	211.72
Proceeds from borrowings	-	-	-
Repayment of borrowings	(3,946.97)	-	-
Dividends paid (including taxes)	-	(270.52)	-
Interest paid	-	-	(3,374.04)
Net cash outflows	**43,463.57**	**(270.52)**	**(3,162.32)**
Charge to statement of profit and loss	-	-	3,498.21
Foreign exchange fluctuation	-	-	-
Balance at the Balance Sheet date	**43,463.57**	**-**	**335.89**

For and on behalf of Board of Directors

B S R & Co. LLP AHMEDABAD Chartered Accountants

ELECON ENGINEERING COMPANY LTD. V.V. NAGAR

Place : Vallabh Vidyanagar
Date : 22 October, 2019

Prayasvin Patel
Chairman & Managing Director
DIN : 00037394

B S R & Co. LLP
Chartered Accountants

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Near Vodafone House
Prahaladnagar, Corporate Road,
Ahmedabad 380 051
India

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Fax +91 (79) 7145 0050

Review Report on Unaudited Quarterly and year-to-date Standalone Financial Results of Elecon Engineering Company Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To Board of Directors of
Elecon Engineering Company Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Elecon Engineering Company Limited for the quarter ended 30 September 2019 and year-to-date results for the period from 1 April 2019 to 30 September 2019 ('the Statement').

2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 *"Interim Financial Reporting"* ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ('Listing Regulations'). Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

B S R & Co. LLP AHMEDABAD Chartered Accountants

Rupen Shah
Partner
Membership No: 116240
ICAI UDIN: 19116240AAAAAH4031

Vallabh Vidyanagar
22 October 2019

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ELECON ENGINEERING COMPANY LIMITED

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2019

(Amounts in INR Lakhs)

Sr. No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		30 Sep 2019 (Unaudited)	30 June 2019 (Unaudited)	30 Sep 2018 (Unaudited)	30 Sep 2019 (Unaudited)	30 Sep 2018 (Unaudited)	31 March 2019 (Audited)
1	Revenue from operations	26,616.13	27,138.24	32,076.33	53,754.37	62,424.89	1,22,484.43
2	Other income	321.92	107.41	4,991.62	429.33	5,360.80	6,556.39
3	**Total Income (1+2)**	**26,938.05**	**27,245.65**	**37,067.95**	**54,183.70**	**67,785.69**	**1,29,040.82**
4	**Expenses**						
	(a) Cost of materials consumed	12,004.86	10,407.05	13,709.35	22,411.91	29,004.82	57,821.86
	(b) Changes in inventories of finished goods and work-in-progress	252.88	1,122.22	619.56	1,375.10	(928.42)	(1,310.11)
	(c) Manufacturing expenses and erection charges	3,169.72	5,549.54	6,443.40	8,719.26	12,069.79	21,366.47
	(d) Employee benefits expense	3,134.49	3,406.23	3,413.56	6,540.72	6,996.95	13,887.31
	(e) Finance costs	1,889.83	1,951.21	1,748.56	3,841.04	3,563.06	7,297.10
	(f) Depreciation and amortisation expense	1,264.49	1,206.27	1,216.30	2,470.76	2,415.05	4,789.25
	(g) Other expenses	4,050.55	3,481.56	4,575.38	7,532.11	8,416.14	16,749.01
	Total Expenses	**25,766.82**	**27,124.08**	**31,726.11**	**52,890.90**	**61,537.39**	**1,20,600.89**
5	**Profit before share in profit of associate and tax (3-4)**	**1,171.23**	**121.57**	**5,341.84**	**1,292.80**	**6,248.30**	**8,439.93**
6	Share in profit of associate (net of tax)	74.23	16.23	73.69	90.46	133.37	385.89
7	**Profit before tax (5+6)**	**1,245.46**	**137.80**	**5,415.53**	**1,383.26**	**6,381.67**	**8,825.82**
8	**Tax expenses**						
	Current tax	53.91	25.92	(32.48)	79.83	80.11	300.82
	Adjustment of tax relating to earlier periods	-	-	54.66	-	54.66	344.98
	Deferred tax charge/(credit)	214.56	66.59	451.43	281.15	553.63	1,169.10
9	**Net Profit for the period after tax (7-8)**	**976.99**	**45.29**	**4,941.92**	**1,022.28**	**5,693.27**	**7,010.92**
10	Non-controlling interest	-	-	-	-	-	-
11	**Net Profit after tax and non controlling interest (9-10)**	**976.99**	**45.29**	**4,941.92**	**1,022.28**	**5,693.27**	**7,010.92**
12	**Other comprehensive income/(expenses) (net of tax)**						
	(i) Items that will not be reclassifed to profit or loss	(4.13)	(4.14)	4.39	(8.27)	8.77	(478.14)
	Tax relating to items that will not be reclassified to profit or loss	1.44	1.45	(1.53)	2.89	(3.06)	7.50
	(ii) Items that will be reclassified to profit or loss	(210.52)	(119.03)	293.94	(329.55)	504.85	(350.51)
	Tax relating to items that will be reclassified to profit or loss	-	-	-	-		-
13	**Total comprehensive income/(expenses) for the period (11+12)**	**763.78**	**(76.43)**	**5,238.72**	**687.35**	**6,203.83**	**6,189.77**
14	**Paid-up equity share capital** (Face Value per equity share INR 2/-)	2,244.00	2,244.00	2,244.00	2,244.00	2,244.00	2,244.00
15	**Debt capital #**				10,000.00		10,000.00
16	**Other equity**				74,980.58		74,562.44
17	**Debenture redemption reserve**				2,500.00		2,500.00
18	**Earnings per share (of INR. 2/- each) (not annualised) - in Rupees**						
	(a) Basic	0.87	0.04	4.40	0.91	5.07	6.25
	(b) Diluted	0.87	0.04	4.40	0.91	5.07	6.25
19	Debt Equity Ratio (not annualised)				0.65		0.71
20	Debt Service Coverage Ratio (not annualised)				0.57		2.92
21	Interest Service Coverage Ratio (not annualised)				1.40		3.22

Represents Non convertible debentures

Ratios have been computed as follows:

a) Debt Equity Ratio : Debt / Equity
Debt: Non-current borrowings + Current maturity of non-current borrowings + Current borrowings
Equity : Equity share capital + Other equity

b) Debt Service Coverage Ratio : (EBIT-Tax expenses) / Debt to be serviced
EBIT : Profit Before Tax + Interest on Debt
Debt to be serviced : Interest on Debt + Scheduled principal repayment of non-current borrowings

c) Interest Service Coverage Ratio : EBIT / Interest on Debt

BSR & Co. LLP AHMEDABAD Chartered Accountants

ELECON ENGINEERING COMPANY LTD. V.V. NAGAR

Gearing industries. Gearing economies.

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CIN L29100GJ1960PLC001082 | infogear@elecon.com | www.elecon.com

Notes:

1. The above unaudited consolidated financial results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 22 October, 2019. These results have been subjected to limited review by the statutory auditors of the Holding Company who have issued an unqualified review report. The review report has been filed with the stock exchanges and is available on the Holding Company's website.

2. During six months ended 30 September, 2019, a Scheme of Amalgamation ('the Scheme') between the Holding Company and its wholly owned subsidiary Elecon Transmission International Limited, Mauritius ('ETIL') was sanctioned by the National Company Law Tribunal, Ahmedabad Bench, with an appointed date of 1 April, 2019. Consequently, impact of the Scheme has been given from appointed date (i.e. 1 April, 2019) in the aforesaid unaudited standalone financial results. As per the Scheme, all assets and liabilities of ETIL as at appointed date (i.e. 1 April 2019) have been recorded at their carrying values determined in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and the difference between net assets and equity, after eliminating inter-company balances, is adjusted to 'Other Equity'.

3. As per "Ind AS 108- Operating Segments", the Group has reported segment information under two segments 1) Material Handling Equipments and 2) Transmission Equipments.

4. Effective 01 April, 2019, the Group has adopted Ind AS 116- 'Leases' using modified retrospective approach. This has resulted in recognition of right of use assets equal to lease liabilities as on 01 April, 2019. The adoption of the standard did not have any material impact on the unaudited consolidated financial results.

5. On 20 September 2019, vide the Taxation Laws (Amendment) Ordinance 2019 ('the Ordinance'), the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective 1 April 2019, subject to certain conditions. Tax expenses for the quarter and six months ended 30 September 2019 reflect the impact of expected adoption of this option by the Holding Company basis the Management's internal evaluation.

6. These unaudited consolidated financial results have been prepared in accordance with Ind AS 110 "Consolidated Financial Statements" and Ind AS 28 "Investments in Associates and Joint Ventures". Business combinations are accounted in accordance with Ind AS 103 "Business Combinations". Any goodwill arising on business combinations is not amortised but tested for impairment annually.

7. Other comprehensive income mainly comprises of remeasurement of defined benefit plan and exchange differences on translation of financial statements of foreign operations.

8. 'Other income' for quarter and six months ended 30 September 2018 includes INR 3,670.33 Lakhs of profit on sale of immovable property by an overseas subsidiary.

9. Previous period figures have been regrouped / reclassified wherever necessary.

B S R & Co. LLP AHMEDABAD Chartered Accountants

ELECON ENGINEERING COMPANY LTD. V.V. NAGAR

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Continuation Sheet :

UNAUDITED CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2019

(Amounts in INR Lakhs)

Particulars	Quarter Ended			Six Months ended		Year Ended
	30 Sep 2019 (Unaudited)	30 June 2019 (Unaudited)	30 Sep 2018 (Unaudited)	30 Sep 2019 (Unaudited)	30 Sep 2018 (Unaudited)	31 March 2019 (Audited)
1. SEGMENT REVENUE						
(a) Material Handling Equipment	6,050.40	7,209.05	9,702.24	13,259.45	18,004.17	34,513.11
(b) Transmission Equipment	20,565.73	19,929.19	22,374.09	40,494.92	44,420.72	87,971.32
Net Sales/Income from Operations	**26,616.13**	**27,138.24**	**32,076.33**	**53,754.37**	**62,424.89**	**1,22,484.43**
2. SEGMENT RESULTS(PROFIT)(+)/LOSS(-) BEFORE TAX & INTEREST FROM EACH SEGMENT						
(a) Material Handling Equipment	(436.66)	541.74	532.65	105.08	378.27	(396.87)
(b) Transmission Equipment	3,632.05	1,629.68	6,688.20	5,261.73	9,713.50	16,645.26
Total	**3,195.39**	**2,171.42**	**7,220.85**	**5,366.81**	**10,091.77**	**16,248.39**
Less:						
i) Finance cost	1,889.83	1,951.21	1,748.56	3,841.04	3,563.06	7,297.10
ii) Other unallocated corporate overheads	185.93	151.06	158.81	336.99	336.83	718.26
iii) Unallocable income	(125.83)	(68.65)	(102.05)	(194.48)	(189.79)	(592.79)
Total Profit before tax	**1,245.46**	**137.80**	**5,415.53**	**1,383.26**	**6,381.67**	**8,825.82**
3. SEGMENT ASSETS						
(a) Material Handling Equipment	54,236.69	57,347.53	64,760.09	54,236.69	64,760.09	60,765.51
(b) Transmission Equipment	1,62,351.68	1,58,852.50	1,48,644.97	1,62,351.68	1,48,644.97	1,48,155.17
(c) Unallocated	2,957.48	3,579.73	8,380.21	2,957.48	8,380.21	8,028.68
Total	**2,19,545.85**	**2,19,779.76**	**2,21,785.27**	**2,19,545.85**	**2,21,785.27**	**2,16,949.36**
4. SEGMENT LIABILITIES						
(a) Material Handling Equipment	35,664.33	37,862.32	47,030.49	35,664.33	47,030.49	40,408.66
(b) Transmission Equipment	96,252.53	95,289.60	87,692.40	96,252.53	87,692.40	89,862.06
(c) Unallocated	10,404.41	9,897.82	10,241.89	10,404.41	10,241.89	9,872.20
Total	**1,42,321.27**	**1,43,049.74**	**1,44,964.78**	**1,42,321.27**	**1,44,964.78**	**1,40,142.92**
5.NET CAPITAL EMPLOYED	**77,224.58**	**76,730.02**	**76,820.49**	**77,224.58**	**76,820.49**	**76,806.44**

B S R & Co. LLP AHMEDABAD Chartered Accountants

ELECON ENGINEERING COMPANY LTD. V.V. NAGAR

For and on behalf of Board of Directors

Prayasvin B. Patel
Chairman & Managing Director
DIN : 00037394

Place : Vallabh Vidyanagar
Date : 22 October, 2019

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ELECON ENGINEERING COMPANY LIMITED

Continuation Sheet :

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(Amounts in INR Lakhs)

Particulars	As at 30 Sep 2019 (Unaudited)	As at 31 Mar 2019 (Audited)
ASSETS		
I. Non-current assets		
(a) Property, plant and equipment	66,915.99	67,768.66
(b) Right-of-use assets	2,579.59	-
(c) Capital work-in-progress	384.56	523.36
(d) Investment property	266.53	273.37
(e) Goodwill	9,247.94	9,618.55
(f) Other intangible assets	1,997.11	2,223.31
(g) Intangible assets under development	-	24.50
(h) Financial assets		
(i) Investments	5,366.26	5,397.95
(ii) Loans	59.45	52.43
(ii) Other financial assets	402.38	59.46
(i) Deferred tax assets (net)	395.51	443.33
(j) Non-current tax assets (net)	2,210.28	2,000.14
(k) Other non-current assets	1,990.60	2,331.89
	91,816.20	**90,716.95**
II.Current assets		
(a) Inventories	30,619.60	31,922.56
(b) Financial assets		
(i) Trade receivables	56,205.00	59,281.37
(ii) Cash and cash equivalents	6,280.08	5,604.25
(iii) Bank balances other than (ii) above	2,319.14	1,954.73
(iv) Loans	496.77	484.06
(v) Other financial assets	24,149.45	19,637.63
(c) Other current assets	7,659.60	7,347.81
	127,729.64	**126,232.41**
Total Assets	**219,545.84**	**216,949.36**
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	2,244.00	2,244.00
(b) Other equity	74,980.58	74,562.44
	77,224.58	**76,806.44**
LIABILITIES		
I. Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	16,536.86	24,385.65
(ii) Lease liabilities	3,841.36	-
(b) Provisions	6,836.09	5,640.47
(c) Deferred tax liabilities (net)	8,311.66	8,074.10
(d) Other non-current liabilities	-	26.24
	35,525.97	**38,126.46**
II.Current liabilities		
(a) Financial liabilities		
(i) Borrowings	29,446.63	28,143.24
(i) Lease Liabilities	2,973.40	-
(ii) Trade payables		
-Total outstanding dues of micro and small enterprises	7,819.38	7,791.33
-Total outstanding dues of creditors other than micro and small	32,291.81	32,310.32
(iii) Other financial liabilities	20,011.36	17,949.48
(b) Other current liabilities	10,561.27	12,453.46
(c) Provisions	1,946.34	1,673.95
(d) Current tax liabilities (net)	1,745.10	1,694.68
	106,795.29	**102,016.46**
Total Liabilities	**142,321.26**	**140,142.92**
Total Equity and Liabilities	**219,545.84**	**216,949.36**

For and on behalf of Board of Directors

B S R & Co. LLP AHMEDABAD Chartered Accountants

ELECON ENGINEERING COMPANY LTD. V.V. NAGAR

Place : Vallabh Vidyanagar
Date : 22 October, 2019

Prayasvin B. Patel
Chairman & Managing Director
DIN : 00037394

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Continuation Sheet :

ELECON ENGINEERING COMPANY LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR SIX MONTHS ENDED 30 SEPTEMBER 2019

(Amounts in INR Lakhs)

Particulars	Six months ended		Year ended
	Sep 30 2019	Sep 30 2018	Mar 31 2019
	(Unaudited)	(Unaudited)	(Audited)
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax	**1,292.80**	**6,248.30**	**8,439.93**
Adjustments for:			
(i) Depreciation and amortisation expense	2,470.76	2,415.05	4,789.25
(ii) Finance costs	3,841.04	3,266.51	7,297.10
(iii) Loss on fair valuation of investment	41.25	18.48	17.13
(iv) (Gain) on sale of property, plant and equipment (net)	(9.08)	(3,691.73)	(3,698.09)
(v) Loss on assets discarded	45.38	-	-
(vi) Interest income	(182.31)	(54.79)	(730.35)
(vii) Dividend income	(0.49)	(0.34)	(0.34)
(viii) Bad debts written off	42.55	375.29	3,759.64
(ix) Excess provision on doubtful debt written back	(302.71)	(13.83)	(3,393.66)
(x) Balances written back	-	(695.09)	(1,090.73)
(xi) Sundry balances written off	-	693.00	746.62
(xii) Provision for doubtful debts	-	88.21	-
(xiii) Unrealised exchange Loss/(gain)	3.90	22.86	(334.80)
(xiv) Provision for other contractual liability & warranty	284.83	250.66	1,223.75
(xv) Reversal of provision for onerous contract	(15.48)	(542.58)	(955.77)
(xvi) Unrealised loss/(gain) on goodwill restatement	370.61	(273.88)	188.86
	7,883.05	**8,106.12**	**16,258.53**
Working Capital Adjustments			
Decrease in trade receivables	3,345.71	3,389.44	8,272.84
Decrease /(increase) in inventories	1,302.96	(1,621.66)	(3,410.50)
Increase in financial assets	(7,604.77)	(6,029.31)	(9,812.04)
(Increase)/decrease in other current and non-current assets	(43.09)	1,152.76	1,063.59
(Increase) in trade payables	(3.53)	(520.81)	(4,522.49)
Decrease/(increase) in provisions, other current and non-current liabilities	(728.03)	(122.67)	(4,809.34)
Decrease in other financial liabilities	2,843.83	6,000.82	6,362.01
Cash generated from operations	**6,996.13**	**10,354.68**	**9,402.61**
Taxes paid (net of refunds)	(196.57)	(342.82)	(668.53)
Net cash generated from operating activities (A)	**6,799.56**	**10,011.86**	**8,734.08**
Cash flow from investing activities			
Payments for purchase of property, plant and equipment	(1,370.27)	(3,113.25)	(4,507.48)
Proceeds from sale of property, plant and equipment	96.71	5,401.59	6,053.97
Interest received	34.67	54.79	730.35
Dividend received	0.49	0.34	0.34
Bank balances not considered as cash and cash equivalents (net)	(346.56)	1,713.98	1,641.76
Dividend received from associate	67.11	47.94	47.94
Net cash (used in) investing activities (B)	**(1,517.85)**	**4,105.39**	**3,966.88**
Cash flow from financing activities			
Proceeds from non-current borrowings	-	-	9,974.57
Repayment of borrowings (net) (Note 4)	(4,684.92)	(6,104.86)	(14,206.92)
Proceeds from financing arrangements	4,199.15	-	-
Repayment of financing arrangements	(132.72)	-	-
Finance Cost paid	(3,716.87)	(3,329.17)	(7,273.54)
Dividend paid (including dividend distribution tax)	(270.52)	(270.52)	(270.52)
Net cash (used in) financing activities (C)	**(4,605.88)**	**(9,704.55)**	**(11,776.41)**
Net increase in cash and cash equivalents (A+B+C)	**675.83**	**4,412.70**	**924.55**
Cash and cash equivalents at 1 April	**5,604.25**	**4,679.70**	**4,679.70**
Cash and cash equivalents as at Balance Sheet date	**6,280.08**	**9,092.40**	**5,604.25**
Components of cash and cash equivalents :-			
Cash on hand	**0.02**	**0.02**	0.02
Balances with banks			
-In current accounts	**6,280.06**	**9,026.78**	5,604.23
In deposit account (with original maturity up to 3 months)	**-**	**65.60**	-
	6,280.08	**9,092.40**	**5,604.25**

B S R & Co. LLP AHMEDABAD Chartered Accountants

ELECON ENGINEERING COMPANY LTD. V.V. NAGAR

ELECON ENGINEERING COMPANY LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR SIX MONTHS ENDED 30 SEPTEMBER 2019

Notes:

1. Cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2. The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS 7) - *Statement of Cash Flows.*

3. In accordance with para 22 of Ind AS 7 - *Statement of Cash Flows,* cash flows from current borrowings have been reported on net basis since these being working capital facilities, the maturities are short.

4. Movement in financial liabilities and financial assets arising from financing activities:

Particulars	Borrowings	Dividends paid (including taxes)	Finance costs
Balance at the beginning of the year	54,815.97	-	211.69
Proceeds from non-current borrowings	-	-	-
Repayment of borrowings (net)	(4,684.92)	-	-
Dividend paid (including taxes)	-	(270.52)	-
Finance cost paid	-	-	(3,716.87)
Net cash outflows	**50,131.05**	**(270.52)**	**(3,505.18)**
Charge to statement of profit and loss	-	-	3,841.04
Foreign exchange fluctuation	-	-	-
Balance at the Balance Sheet date	**50,131.05**	**(270.52)**	**335.86**

For and on behalf of the Board of Directors

B S R & Co. LLP AHMEDABAD Chartered Accountants

ELECON ENGINEERING COMPANY LTD. V.V. NAGAR

Place : Vallabh Vidyanagar
Date : 22 October, 2019

Prayasvin Patel
Chairman & Managing Director
DIN : 00037394

B S R & Co. LLP
Chartered Accountants

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Prahaladnagar, Corporate Road,
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Review Report on Unaudited Quarterly and year-to-date Consolidated Financial Results of Elecon Engineering Company Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To Board of Directors of
Elecon Engineering Company Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Elecon Engineering Company Limited ('the Parent') and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group'), and its share of the net profit after tax and total comprehensive income of its associates for the quarter ended 30 September 2019 and year-to-date results for the period from 1 April 2019 to 30 September 2019 ('the Statement'), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

B S R & Co. LLP AHMEDABAD Chartered Accountants

4. The Statement includes the unaudited financial information / financial results of the following entities:

Sr.	Name of the Entity	Relationship
1	Radicon Transmission UK Limited (including its following Wholly Owned Step-down Subsidiaries): a) Benzlers Systems AB b) AB Benzlers c) Radicon Drive Systems Inc. d) Benzler Transmission A.S. e) Benzler TBA B.V. f) Benzler Antriebstechnik GmBH g) OY Benzler AB h) Benzlers Italia s.r.l	Wholly Owned Subsidiary
2	Elecon Singapore Pte. Limited	Wholly Owned Subsidiary
3	Elecon Middle East FZE	Wholly Owned Subsidiary
4	Eimco (Elecon) India Limited	Associate
5	Elecon Eng. (Suzhou) Co. Limited	Associate
6	Elecon Africa Pty. Limited	Associate
7	Elecon Australia Pty. Limited	Associate

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. The Statement includes the Group's share of net profit after tax of INR 74.23 Lakhs and INR 90.46 Lakhs, total comprehensive income of INR 74.23 Lakhs and INR 90.46 Lakhs for the quarter ended 30 September 2019 and for the period from 1 April 2019 to 30 September 2019, respectively, as considered in the Statement, in respect of 1 associate, whose financial results have not been reviewed by us. These financial results have been reviewed by other auditors whose report has been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above.

   Our conclusion on the Statement is not modified in respect of this matter.

B S R & Co. LLP AHMEDABAD Chartered Accountants

7. The Statement includes the financial information of 2 subsidiaries which have not been reviewed, whose financial information reflect total assets of INR 4,209.71 Lakhs as at 30 September 2019 and total revenue of INR 924.07 Lakhs and INR 1,726.25 Lakhs, total net profit after tax of INR 8.90 Lakhs and INR 128.41 Lakhs, total comprehensive income of INR 8.90 Lakhs and INR 128.41 Lakhs for the quarter ended 30 September 2019 and for the period from 1 April 2019 to 30 September 2019, respectively, and cash inflows (net) of INR 166.41 Lakhs for the period from 1 April 2019 to 30 September 2019, as considered in the Statement. The Statement also includes the Group's share of net profit after tax of INR Nil and INR Nil and total comprehensive income of INR Nil and INR Nil for the quarter ended 30 September 2019 and for the period from 1 April 2019 to 30 September 2019, respectively, as considered in the consolidated unaudited financial results, in respect of 3 associates based on their financial information which have not been reviewed. According to the information and explanations given to us by the management, these interim financial information are not material to the Group.

   Our conclusion on the Statement is not modified in respect of this matter.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rupen Shah
Partner
Membership No: 116240
ICAI UDIN: 19116240AAAAAI7337

Vallabh Vidyanagar
22 October 2019

Elecon Engineering announces Q2FY20 Results

CONSOLIDATED H1FY20 NET REVENUE AT RS. 537.5 CRORES

Vallabh Vidyanagar, India, October 22, 2019- Elecon Engineering Company Limited ("Elecon"), one of the largest manufacturers of gears in Asia and a leading player in MHE segment, announces its financial results for the **second quarter (Q2FY20) and six months (H1FY20)** period ended September 30th, 2019.

Financial Performance

Standalone Q2FY20 Review

- Total Operating income was Rs. 205.7 Crores for Q2FY20 as compared to Rs. 259.7 Crores in the corresponding period of the previous year, reflecting a decline of 20.8%
- EBITDA stood at Rs. 35.4 Crores as compared to Rs. 34.0 Crores during the corresponding period of previous year, an increase of 4.1%
- EBITDA Margin at 17.2% for Q2FY20 as against 13.1% in Q2FY19
- Profit Before Tax stood at Rs. 6.6 Crores for Q2FY20 as compared to Rs 7.8 Crores in the corresponding period of the previous year, a decline of 15.4%
- Net Profit stood at Rs. 4.5 Crores for Q2FY20 as compared to Rs. 3.5 Crores in the corresponding period of the previous year, an increase of 26.5%

Standalone H1FY20 REVIEW

- Total Operating income was Rs. 419.0 Crores for H1FY20 as compared to Rs. 494.2 Crores in the corresponding period of the previous year, reflecting a decline of 15.2%
- EBITDA stood at Rs. 65.0 Crores for H1FY20 as compared to Rs. 66.6 Crores during the corresponding period of previous year
- EBITDA Margin at 15.5% for H1FY20 as against 13.5% in H1FY19
- Net Profit stood at Rs. 5.8 Crores for H1FY20 as compared to Rs. 6.9 Crores in the corresponding period of the previous year

CONSOLIDATED Q2FY20 REVIEW

- Total Operating income was Rs. 266.2 Crores for Q2FY20 as compared to Rs. 320.8 Crores in the corresponding period of the previous year, reflecting an decline of 17.0%
- EBITDA stood at Rs. 43.3 Crores as compared to Rs. 83.1 Crores during the corresponding period of previous year, an decrease of 47.9%
- EBITDA Margin at 16.3% for Q2FY20 as against 25.9% in Q2FY19
- Profit Before Tax stood at Rs. 11.7 Crores for Q2FY20 as compared to Rs. 53.4 Crores in the corresponding period of the previous year, an decrease of 78.1%

- Net profit stood at Rs. 9.8 Crores for Q2FY20 as compared to Rs. 49.4 Crores in the corresponding period of the previous year, a decrease of 80.2%

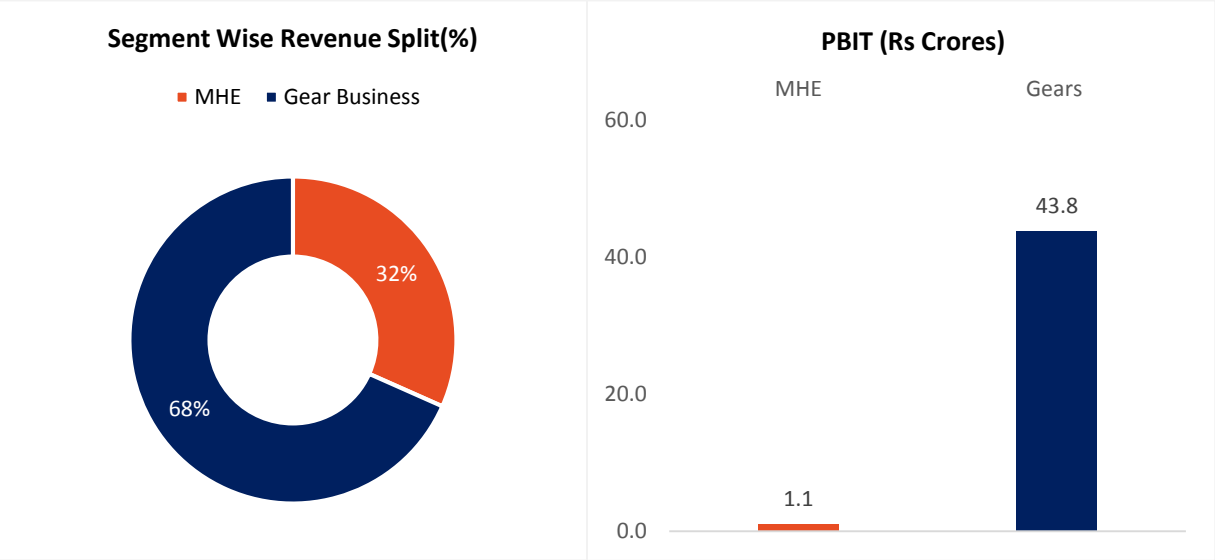
Consolidated H1FY20 Review

- Total Operating income was Rs. 537.5 Crores for H1FY20 as compared to Rs. 624.2 Crores in the corresponding period of the previous year reflecting an decrease of 13.9%
- EBITDA stood at Rs. 76.0 Crores for H1FY20 as compared to Rs. 122.3 Crores during the corresponding period of previous year
- EBITDA Margin at 14.1% for H1FY20 as against 19.6% in H1FY19
- Net Profit stood at Rs. 10.2 Crores for H1FY20 as compared to Rs. 56.9 Crores in the corresponding period of the previous year

Management Comments

Commenting on the Company's performance for Q2FY20, **Mr. Prayasvin Patel, CMD said** *"We are pleased to report healthy performance in this quarter with improvement in margins and profitability as compared to the preceding quarter. We are witnessing revival in demand scenario and are confident of positive performance in the future led by strong execution and better product mix. We continue to be on track in terms of reduction of debt and recovery of old receivables."*

Segment Wise Performance (H1FY20)



Performance of the overseas subsidiary

During the quarter, our overseas business under Benzlers and Radicon registered revenue of Rs. 62.15 Crores with EBITDA of Rs. 8.44 Crores.

Order Book and Outlook

During the quarter, we booked orders worth Rs. 135.07 Crores in gear business. This translates to an order backlog of Rs. 737.63 Crores for execution in the near to medium term. In the material handling business, we closed orders worth Rs. 46.70 Crores. The pending order book for MHE business now stands at Rs. 514.48 Crores.

About Elecon Engineering Company Limited

Elecon Engineering Company Limited (BSE code: 505700, NSE code: ELECON) is one of Asia's largest gear manufacturing Company with vast experience of about six decades and significant business presence in India and abroad. The Company designs and manufactures worm gears; parallel shaft and right-angle shaft; helical and spiral level helical gears; fluid geared and flexible couplings, as well as planetary gear boxes. The Company also manufactures material handling equipment, mining equipment, casting processes amongst others. The Company was incorporated in 1960 by Shri Ishwarbhai B Patel and has its headquarters in Vallabh Vidyanagar, Gujarat. For more info, visit: www.elecon.com

If you have any questions or require further information, please feel free to contact

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Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors. That could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. Elecon Engineering Company Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

Disclosures under Regulations 52 (4) and 54 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Regulations")

Dear Sir/Madam,

With reference to the subject referred regulations, we submit herewith below information with respect to listed 12.25% Senior Secured Rated Listed Redeemable Non-Convertible Debentures ('NCDs') issued by the Company on private placement basis of Rs. 100 crores (on standalone basis) for half year ended on 30th September, 2019:-

Particulars	Details for half year ended on 30th September, 2019
Credit Rating and change in credit rating (if any);	All the NCDs rated as BWR A minus (Outlook- Stable) by Brickwork Ratings India Private Limited. There has been no change in the credit rating of these NCDs.
Asset Cover available	1.71 times
Debt Equity Ratio (for half year ended on 30th September, 2019)	0.61 times
Previous due date for the payment of interest / dividend of non-convertible preference shares /repayment of principal of non-convertible preference shares/non-convertible debt securities payable and whether the same has been paid or not.	Previous Due date for payment of Interest on NCDs for the period from 1st April, 2019 to 30th September, 2019:- 1st May, 2019 and 1st August, 2019. The same has been paid by due date. The Re-payment of Principal on NCDs will be due as under:- Series-I:- Rs. 10 crores:- 7 Equal Quarterly Installments starting from 1st August 2020 of Rs. 1.43 crores Series-II:- Rs. 90 crores:- 8 Equal Quarterly Installments starting from 1st May 2022 of Rs. 11.25 crores.
Next due date for payment of interest/dividend of non-convertible preference shares /principal alongwith the amount of interest/dividend of non-convertible preference shares payable and the redemption amount	Next due date for payment of interest on NCDs 1st October, 2019 to 31st March, 2020:- 1st November, 2019 and 1st February, 2020 amounting to Rs. 3,11,95,556/- and Rs. 3,11,95,556/- respectively. The Re-payment of Principal on NCDs will be due as under:-

ELECON ENGINEERING COMPANY LTD. V.V. NAGAR

	Series-I:- Rs. 10 crores:- 7 Equal Quarterly Installments starting from 1st August 2020 of Rs. 1.43 crores Series-II:- Rs. 90 crores:- 8 Equal Quarterly Installments starting from 1st May 2022 of Rs. 11.25 crores
Debt Service Coverage Ratio (not annualized)	0.50 times
Interest Service Coverage Ratio (not annualized)	1.29 times
Outstanding redeemable preference shares (quantity and value)	Not Applicable
Capital Redemption Reserve/Debenture Redemption Reserve	Debenture Redemption Reserve :- Rs. 2500.00 lakhs
Net Worth	Rs. 71582.23 lakhs
Net Profit After Tax	Rs. 584.35 lakhs (Excl. OCI)
Earnings Per Share	Basic EPS before and after extraordinary items, net of tax expenses (not annualized) is Rs. 0.52 per share Diluted EPS before and after extraordinary items, net of tax expenses (not annualized) is Rs. 0.52 per share
Extent and Nature of Security Created	Specific immovable property of the Company and one of its Promoter Company; Residual charge over current and fixed assets of the Company; Corporate Guarantee from one of the Promoter Company.

Kindly, take the above on your record.

Thanking you,

Yours faithfully,
For and behalf of Board of Directors,

ELECON ENGINEERING COMPANY LTD. V.V. NAGAR

Prayasvin B. Patel
Chairman & Managing Director
DIN:-00037394

Date:- 22nd October, 2019
Place:-Vallabh Vidyanagar