

Date: 10<sup>th</sup> November, 2016

To,

The Manager (Listing),  
The BSE Ltd.  
Mumbai

The Manager (Listing),  
National Stock Exchange of India Ltd.  
Mumbai

**SUB: SUBMISSION OF UNAUDITED FINANCIAL RESULTS ALONG WITH  
LIMITED REVIEW REPORT FOR QUARTER & HALF YEAR ENDED ON  
30<sup>TH</sup> SEPTEMBER, 2016**

Dear Sir,

Pursuant to Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we enclose herewith Unaudited Standalone and Consolidated Financial Results along with Limited Review Report for the quarter & half year ended 30<sup>th</sup> September, 2016 duly taken on record by the Board of Directors of the Company at its Meeting held on 10<sup>th</sup> November, 2016.

Please also find enclosed herewith Press Note as on the date of Board Meeting i.e. 10<sup>th</sup> November, 2016 on the performance of Elecon Engineering Company Limited.

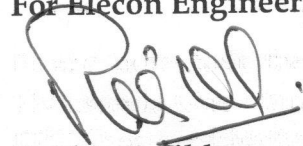
Please note that the Company has allotted 32,64,122 (Thirty Two Lakhs Sixty Four Thousands One Hundred Twenty Two) Equity Share to the Shareholder of M/s. Elecon EPC Projects Limited pursuant to the Scheme of Amalgamation as approved by the Hon'ble High Court of Gujarat vide its Order dated 7<sup>th</sup> October, 2016.

Kindly take the same on your record.

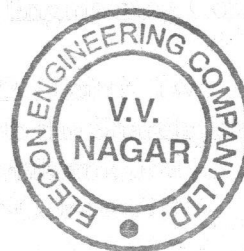
Thanking you,

Yours faithfully,

For Elecon Engineering Company Limited



**Parthiv Parikh**  
Company Secretary & Compliance Officer



Encl: a/a.



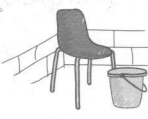
Cranes



Rubber Industry



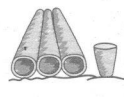
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## STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30-09-2016

| Sr. No. | PARTICULARS                                                                                             | Three Months Ended |                  |                  | Six Months Ended |                  |
|---------|---------------------------------------------------------------------------------------------------------|--------------------|------------------|------------------|------------------|------------------|
|         |                                                                                                         | 30-09-2016         | 30-06-2016       | 30-09-2015       | 30-09-2016       | 30-09-2015       |
|         |                                                                                                         | (Unaudited)        | (Unaudited)      | (Unaudited)      | (Unaudited)      | (Unaudited)      |
| 1       | <b>Income from operations</b>                                                                           |                    |                  |                  |                  |                  |
|         | (a) Income from operations                                                                              | 19,918.99          | 18,738.63        | 23,018.05        | 38,657.62        | 41,375.92        |
|         | (b) Other Operating Income                                                                              | 284.48             | 240.84           | 274.15           | 525.32           | 607.84           |
|         | <b>Total Income from Operations</b>                                                                     | <b>20,203.47</b>   | <b>18,979.47</b> | <b>23,292.20</b> | <b>39,182.94</b> | <b>41,983.76</b> |
| 2       | <b>Expenses</b>                                                                                         |                    |                  |                  |                  |                  |
|         | (a) Cost of materials consumed                                                                          | 7,715.18           | 6,771.57         | 10,326.72        | 14,486.75        | 20,596.42        |
|         | (b) Purchase of stock-in-trade                                                                          | -                  | -                | -                | -                | -                |
|         | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade                       | (618.14)           | (485.20)         | (1,889.40)       | (1,103.34)       | (4,859.74)       |
|         | (d) Manufacturing Expenses and Erection Charges                                                         | 4,168.05           | 2,560.00         | 4,013.04         | 6,728.05         | 7,453.99         |
|         | (e) Excise Duty                                                                                         | 1,614.57           | 1,499.27         | 1,921.33         | 3,113.84         | 3,468.93         |
|         | (f) Employee benefits expense                                                                           | 2,056.80           | 2,160.48         | 2,229.19         | 4,217.28         | 3,986.39         |
|         | (g) Depreciation and amortisation expense                                                               | 1,250.31           | 1,242.26         | 1,388.30         | 2,492.57         | 2,760.88         |
|         | (h) Other expenses                                                                                      | 3,454.99           | 3,059.31         | 3,246.11         | 6,514.30         | 6,077.34         |
|         | <b>Total Expenses</b>                                                                                   | <b>19,641.76</b>   | <b>16,807.69</b> | <b>21,235.29</b> | <b>36,449.45</b> | <b>39,484.21</b> |
|         | <b>Profit / (Loss) from Operations before other income, finance costs &amp; Exceptional Items (1-2)</b> | <b>561.71</b>      | <b>2,171.78</b>  | <b>2,056.91</b>  | <b>2,733.49</b>  | <b>2,499.55</b>  |
| 3       | <b>Other Income</b>                                                                                     | 328.30             | 173.14           | 157.49           | 501.44           | 377.79           |
|         | <b>Profit / (Loss) from ordinary activities before finance costs and Exceptional Items (3+4)</b>        | <b>890.01</b>      | <b>2,344.92</b>  | <b>2,214.40</b>  | <b>3,234.93</b>  | <b>2,877.34</b>  |
| 6       | <b>Finance costs</b>                                                                                    | 1,555.70           | 1,741.79         | 1,355.73         | 3,297.49         | 2,958.43         |
|         | <b>Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)</b>  | <b>(665.69)</b>    | <b>603.13</b>    | <b>858.67</b>    | <b>(62.56)</b>   | <b>(81.09)</b>   |
| 8       | <b>Exceptional items</b>                                                                                | -                  | -                | -                | -                | -                |
| 9       | <b>Profit / (Loss) before Tax (7+8)</b>                                                                 | <b>(665.69)</b>    | <b>603.13</b>    | <b>858.67</b>    | <b>(62.56)</b>   | <b>(81.09)</b>   |
| 10      | <b>Tax expenses / (credit)</b>                                                                          | (363.10)           | 352.95           | 272.62           | (10.15)          | (43.57)          |
| 11      | <b>Net Profit / (Loss) for the period after Tax (9-10)</b>                                              | <b>(302.59)</b>    | <b>250.18</b>    | <b>586.05</b>    | <b>(52.41)</b>   | <b>(37.52)</b>   |
| 12      | <b>Other Comprehensive Income/(Expenses)</b>                                                            | (5.03)             | (8.02)           | (7.17)           | (13.05)          | (14.51)          |
| 13      | <b>Total Comprehensive Income/(Expenses) for the Period (11+12)</b>                                     | <b>(307.62)</b>    | <b>242.16</b>    | <b>578.88</b>    | <b>(65.46)</b>   | <b>(52.03)</b>   |
| 14      | <b>Paid-up equity share capital</b><br>(Face Value of the share Rs. 2/-)                                | 2,178.72           | 2,178.72         | 2,178.72         | 2,178.72         | 2,178.72         |
| 15      | <b>Earnings per share (of Rs. 2/- each) (not annualised)</b>                                            |                    |                  |                  |                  |                  |
|         | (a) Basic                                                                                               | (0.27)             | 0.22             | 0.52             | (0.05)           | (0.03)           |
|         | (b) Diluted                                                                                             | (0.27)             | 0.22             | 0.52             | (0.05)           | (0.03)           |





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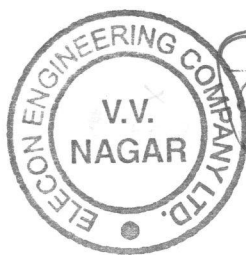
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**Notes:**

- 1 The above standalone financial results were reviewed and recommended by the Audit Committee and taken on record by the Board of Directors at their meeting held on 10th November, 2016.
- 2 The Standalone Financial Results of the Company have been prepared in accordance with Indian Accounting Standards ("IND AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Company adopted IND AS w.e.f. April 01, 2016, (with a transition date of April 01, 2015) and accordingly, these financial results (including for previous comparative periods presented) have been prepared in accordance with the recognition and measurement principles of IND AS 34 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act 2013 read with the relevant rules issued there under and other accounting principles generally accepted in India.
- 3 The Company has adopted Indian Accounting Standards (IND AS) effective from 1st April 2016. The results for the quarter and six months ended 30th September, 2015 (including segments) have been restated to be IND AS compliant and have not been subjected to limited review or audit. However, the management has exercised due diligence to ensure that the financial results provide a true and fair view of the Company's affairs.
- 4 The Honourable High Court of Gujarat vide its order dated 7 October 2016 sanctioned a scheme of Amalgamation (the Scheme) of Elecon EPC Projects Ltd (EEPL) with the Company. The Scheme specified the appointed date of 30 March 2015. The previous year's figures include the results of erstwhile EEPL. The scheme specified the accounting under the "Purchase Method" laid down by Accounting Standard 14, Accounting for amalgamation.
- 5 In terms of the Scheme, the Company has allotted 32,64,122 equity shares of Rs. 2 each to the shareholders of erstwhile EEPL in its meeting held on 10 November 2016. This is based on the swap ratio approved as per the Scheme.
- 6 As per the scheme the assets have been recorded at their fair values. The difference between the net assets of EEPL and equity and preference shares, after eliminating inter company balances is credited to Capital Reserve.
- 7 The Company upon adoption of IND AS has elected to fair value property, plant and equipment of the combined entity in accordance with the choice available under IND AS 101, First time adoption. Accordingly there is no impact on the Profit and Loss pursuant to the fair valuation of fixed assets provided in the scheme.
- 8 The treatment prescribed of crediting the excess to capital reserve is not in line with IND AS 103 which has been referred to by the auditors in their review report
- 9 As per IND AS 108, Operating Segment the Company has reported segment information under 2 segments 1) Material Handling Equipment and 2) Transmission Equipment.
- 10 Tax expense includes provision for current income tax (based on estimated average effective annual income tax rate, considering tax allowances) and deferred tax charge/ (credit).
- 11 The reconciliation of net profit reported in accordance with Indian GAAP to total comprehensive income in accordance with IND AS is given below:

| Sr.No | PARTICULARS                                                                                                 | (Rs. Lakhs)                                |                                               |
|-------|-------------------------------------------------------------------------------------------------------------|--------------------------------------------|-----------------------------------------------|
|       |                                                                                                             | Quarter ended<br>30-09-2015<br>(Unaudited) | Six months ended<br>30-09-2015<br>(Unaudited) |
|       | <b>Net Profit for the period under previous Indian GAAP</b>                                                 | <b>691.13</b>                              | <b>1,047.82</b>                               |
|       | Adjustment on account of :                                                                                  |                                            |                                               |
| 1     | Restatement of results due to merger of Elecon EPC Projects Limited with the Company (wef 1 April 2015)     | (1,205.10)                                 | (2,081.89)                                    |
| 2     | Adjustment for revenue recognition from milestone basis to percentage of completion basis under Indian GAAP | 902.81                                     | 111.20                                        |
| 3     | Adjustment for provision for onerous contract under Indian IGAAP                                            | 41.22                                      | 133.30                                        |
| 4     | Other adjustments under Indian IGAAP                                                                        | 13.11                                      | 27.38                                         |
| 5     | Impact of measuring investments at fair value through Profit & Loss                                         | 21.13                                      | 11.94                                         |
| 6     | Impact on depreciation due to fair valuation of certain property, plant & equipments                        | 50.63                                      | 101.04                                        |
| 7     | Actuarial gains and losses on defined benefit plan reclassified to other comprehensive income (OCI)         | 11.09                                      | 22.18                                         |
| 8     | Others                                                                                                      | 2.18                                       | 4.36                                          |
| 9     | Deferred tax (as a result of amalgamation and IND AS)                                                       | 57.85                                      | 585.15                                        |
|       | <b>Net Profit/(Loss) before Other Comprehensive Income as per IND AS</b>                                    | <b>586.05</b>                              | <b>(37.52)</b>                                |
|       | <b>Add/(Less): Adjustments in Other Comprehensive Income</b>                                                |                                            |                                               |
| 10    | Other Comprehensive Income (Net of Tax)                                                                     | (7.17)                                     | (14.51)                                       |
|       | <b>Total Comprehensive Income as per IND AS</b>                                                             | <b>578.88</b>                              | <b>(52.03)</b>                                |

12 Figures of the previous period have been regrouped / reclassified wherever considered necessary.



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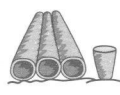
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Sugar Industry



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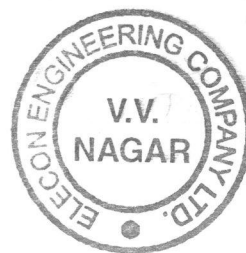
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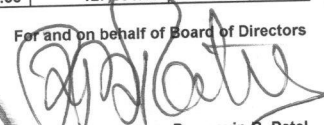
**UNAUDITED STANDALONE SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND SIX MONTHS ENDED 30-09-2016** (Rs. Lakhs)

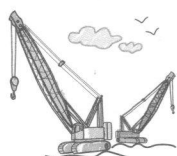
| PARTICULARS                                                                               | Three Months Ended |                  |                  | Six Months Ended |                  |
|-------------------------------------------------------------------------------------------|--------------------|------------------|------------------|------------------|------------------|
|                                                                                           | 30-09-2016         | 30-06-2016       | 30-09-2015       | 30-09-2016       | 30-09-2015       |
|                                                                                           | (Unaudited)        | (Unaudited)      | (Unaudited)      | (Unaudited)      | (Unaudited)      |
| <b>1. SEGMENT REVENUE</b>                                                                 |                    |                  |                  |                  |                  |
| (a) Material Handling Equipment                                                           | 10,574.08          | 8,536.98         | 11,721.82        | 19,111.06        | 20,502.74        |
| (b) Transmission Equipment                                                                | 10,088.39          | 11,228.52        | 12,297.62        | 21,316.90        | 22,982.75        |
| (c) Un allocated                                                                          | -                  | -                | -                | -                | -                |
| Total                                                                                     | 20,662.47          | 19,765.50        | 24,019.44        | 40,427.96        | 43,485.49        |
| Less: Inter Segment Revenue                                                               | 458.99             | 786.03           | 727.24           | 1,245.02         | 1,501.73         |
| <b>Net Sales/Income from Operations</b>                                                   | <b>20,203.48</b>   | <b>18,979.47</b> | <b>23,292.20</b> | <b>39,182.94</b> | <b>41,983.76</b> |
| <b>2. SEGMENT RESULTS PROFIT(+) / LOSS(-) BEFORE TAX &amp; INTEREST FROM EACH SEGMENT</b> |                    |                  |                  |                  |                  |
| (a) Material Handling Equipment                                                           | (392.77)           | 88.08            | (41.91)          | (304.69)         | (1,046.14)       |
| (b) Transmission Equipment                                                                | 1,282.78           | 2,256.84         | 2,256.31         | 3,539.62         | 3,923.48         |
| (c) Un allocated                                                                          | -                  | -                | -                | -                | -                |
| Total                                                                                     | 890.01             | 2,344.92         | 2,214.40         | 3,234.93         | 2,877.34         |
| <b>Less:</b>                                                                              |                    |                  |                  |                  |                  |
| i) Finance Cost                                                                           | 1,555.70           | 1,741.79         | 1,355.73         | 3,297.49         | 2,958.43         |
| <b>Total Profit / (Loss) before Tax</b>                                                   | <b>(665.69)</b>    | <b>603.13</b>    | <b>858.67</b>    | <b>(62.56)</b>   | <b>(81.09)</b>   |
| <b>3. SEGMENT ASSETS</b>                                                                  |                    |                  |                  |                  |                  |
| (a) Material Handling Equipment                                                           | 91,837.94          | 97,114.87        | 95,465.46        | 91,837.94        | 95,465.46        |
| (b) Transmission Equipment                                                                | 115,840.89         | 120,622.50       | 114,971.26       | 115,840.89       | 114,971.26       |
| (c) Un allocated                                                                          | -                  | -                | -                | -                | -                |
| Total                                                                                     | 207,678.83         | 217,737.37       | 210,436.72       | 207,678.83       | 210,436.72       |
| <b>4. SEGMENT LIABILITIES</b>                                                             |                    |                  |                  |                  |                  |
| (a) Material Handling Equipment                                                           | 57,704.81          | 63,589.88        | 65,993.08        | 57,704.81        | 65,993.08        |
| (b) Transmission Equipment                                                                | 69,686.79          | 72,262.24        | 67,153.45        | 69,686.79        | 67,153.45        |
| (c) Un allocated                                                                          | -                  | -                | -                | -                | -                |
| Total                                                                                     | 127,391.60         | 135,852.12       | 133,146.53       | 127,391.60       | 133,146.53       |

Place : Vallabh Vidyanagar  
 Date : 10th Nov, 2016



For and on behalf of Board of Directors

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



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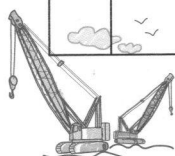
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**Elecon Engineering Company Limited**  
**Standalone Statement of Asset and Liabilities**

(Rs in Lakhs)

| Particulars                                |  | As at<br>30/09/2016<br>(Unaudited) |
|--------------------------------------------|--|------------------------------------|
| <b>A. ASSETS</b>                           |  |                                    |
| <b>1. Non-Current Assets</b>               |  |                                    |
| a. Property, Plant and Equipment           |  | 77,229.79                          |
| b. Capital Work-in-Progress                |  | 116.41                             |
| c. Investment Property                     |  | 308.95                             |
| d. Other Intangible Assets                 |  | 570.03                             |
| e. Intangible Assets Under Development     |  | 176.53                             |
| f. Financial Assets                        |  |                                    |
| (i) Investments                            |  | 10,721.44                          |
| (ii) Trade Receivables                     |  | 21,306.91                          |
| (iii) Loans and Advances                   |  | 797.12                             |
| (iv) Other Financial Assets                |  | 741.91                             |
| g. Other Assets                            |  | 1,725.37                           |
| <b>Sub-total - Non-Current Assets</b>      |  | <b>113,694.46</b>                  |
| <b>2. Current Assets</b>                   |  |                                    |
| a. Inventories                             |  | 27,587.56                          |
| b. Financial Assets                        |  |                                    |
| (i) Investments                            |  | 158.46                             |
| (ii) Trade Receivables                     |  | 47,882.32                          |
| (iii) Cash and Cash Equivalents            |  | 537.25                             |
| (iv) Bank Balance other than (iii) above   |  | 1,044.49                           |
| (v) Others Financial Assets                |  | 3,419.19                           |
| c. Tax Assets (net)                        |  | 1,695.67                           |
| d. Other Assets                            |  | 11,659.43                          |
| <b>Sub-total - Current Assets</b>          |  | <b>93,984.37</b>                   |
| <b>TOTAL - ASSETS</b>                      |  | <b>207,678.83</b>                  |
| <b>B. EQUITY AND LIABILITIES</b>           |  |                                    |
| <b>1. Equity</b>                           |  |                                    |
| a. Equity Share Capital                    |  | 2,178.72                           |
| b. Other Equity                            |  | 78,108.51                          |
| <b>Sub-total - Equity</b>                  |  | <b>80,287.23</b>                   |
| <b>2. Non-Current Liabilities</b>          |  |                                    |
| a. Financial Liabilities                   |  |                                    |
| (i) Borrowings                             |  | 10,991.43                          |
| (ii) Trade Payables                        |  | 885.20                             |
| (iii) Other Financial Liabilities          |  | 61.13                              |
| b. Provisions                              |  | 453.62                             |
| c. Deferred Tax Liabilities (net)          |  | 10,638.02                          |
| d. Other Liabilities                       |  | 5,913.45                           |
| <b>Sub-total - Non-Current Liabilities</b> |  | <b>28,942.85</b>                   |
| <b>3. Current Liabilities</b>              |  |                                    |
| a. Financial Liabilities                   |  |                                    |
| (i) Borrowings                             |  | 34,930.95                          |
| (ii) Trade Payables                        |  | 32,162.78                          |
| (iii) Other Financial Liabilities          |  | 6,087.56                           |
| b. Other Liabilities                       |  | 17,993.65                          |
| c. Provision                               |  | 7,273.81                           |
| <b>Sub-total - Current Liabilities</b>     |  | <b>98,448.75</b>                   |
| <b>TOTAL - EQUITIES AND LIABILITIES</b>    |  | <b>207,678.83</b>                  |



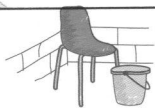
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**BSR & Co. LLP**  
Chartered Accountants  
Lodha Excelus,  
5<sup>th</sup> Floor Apollo Mills Compund,  
N.M.Joshi Marg, Mahalaxmi,  
Mumbai 400 011  
Telephone +91 (22) 4345 5300  
Fax +91 (22) 4345 5399

**Thacker Butala Desai**  
Chartered Accountants  
G 21-22, Tanariri Apartment,  
Ashabaug Society,  
Navsari-396445  
Gujarat  
Telephone +91 (02637) 257207  
Fax +91 (02637) 242802

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

**To Board of Directors of  
Elecon Engineering Company Limited**

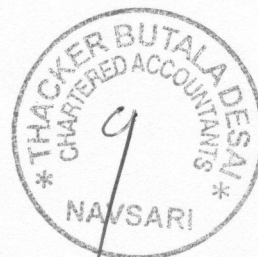
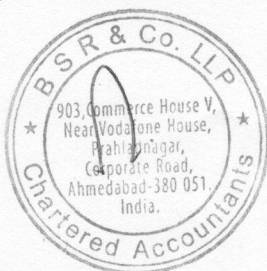
We have reviewed the accompanying statement of unaudited standalone financial results ('the Statement') of Elecon Engineering Company Limited ('the Company') for the quarter and six months ended 30 September 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on 10 November 2016. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (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 financial statements are 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.

The standalone financial results for the quarter and six months ended 30 September 2015 reported under the previous GAAP, included in the Statement, are based on the previously issued results of the Company. These previously issued results were reviewed by Thacker Butala Desai, Chartered Accountants, whose report dated 28 October 2015 expressed an unmodified opinion on those unaudited standalone financial results. We draw attention to the fact that management has adjusted these previously issued results for the differences in the accounting principles adopted by the Company on transition to the Indian Accounting Standards ('Ind AS') and presented a reconciliation for the same, which have been approved by the Company's Board of Directors. The figures for the corresponding quarter and six months ended 30 September 2015 including the reconciliation of profit/loss under Ind AS reported in the Statement have not been subjected to review.

The standalone financial results for the quarter ended 30 June 2016, included in the statement, were reviewed by Thacker Butala Desai, whose report dated 26 July 2016 expressed an unmodified opinion on those unaudited standalone financial results.



**Review report (Continued)**

Elecon Engineering Company Limited

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 the applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listings Obligation and Disclosure Requirement) Regulation, 2015, and SEBI circular dated 5th July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

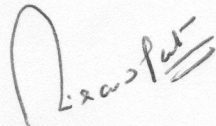
We draw attention to note 8 of the Statement regarding the Scheme of Amalgamation ('the Scheme') between Elecon EPC Projects Limited (subsidiary of the Company) and the Company sanctioned by the Honorable High Court of Judicature at Gujarat vide its order dated 7 October 2016, wherein the Company, has accounted for the amalgamation under purchase method in accordance with the erstwhile Accounting Standard 14 – Accounting for Amalgamation. The Company has given effect to the Scheme from the appointed date specified in the Scheme i.e. 30 March 2015. Pursuant to giving effect of the Scheme the Capital Reserve of Rs 4,258.57 lakhs has been generated. The accounting treatment is different from that prescribed under Ind AS 103 – Business Combination.

Our review report is not modified in respect of the above matter.

For **B S R & Co. LLP**

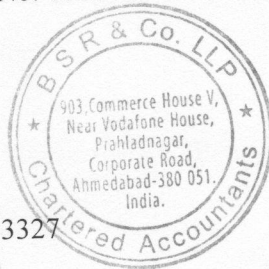
Chartered Accountants

Firm's Registration No: 101248W/W-100022

**Nirav Patel**

Partner

Membership No: 113327



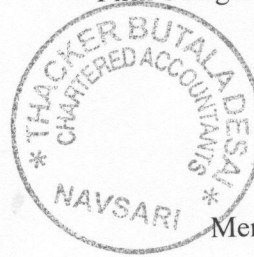
Vallabh Vidyanagar

Date: 10 November 2016

For **Thacker Butala Desai**

Chartered Accountants

Firm's Registration No: 110864W

**Yatin N. Patel**

Partner

Membership No: 122676

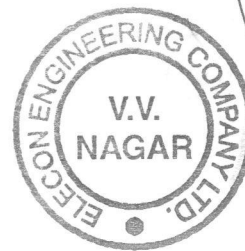
Vallabh Vidyanagar

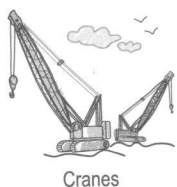
Date: 10 November 2016

## STATEMENT OF CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30-09-2016

(Rs. Lakhs)

| Sr. No. | PARTICULARS                                                                                                            | Three Months Ended |                  |                  | Six Months Ended  |                  |
|---------|------------------------------------------------------------------------------------------------------------------------|--------------------|------------------|------------------|-------------------|------------------|
|         |                                                                                                                        | 30-09-2016         | 30-06-2016       | 30-09-2015       | 30-09-2016        | 30-09-2015       |
|         |                                                                                                                        | (Unaudited)        | (Unaudited)      | (Unaudited)      | (Unaudited)       | (Unaudited)      |
| 1       | <b>Income from operations</b>                                                                                          |                    |                  |                  |                   |                  |
|         | (a) Income from operations                                                                                             | 26,292.50          | 25,947.04        | 30,249.95        | 52,239.54         | 55,997.60        |
|         | (b) Other Operating Income                                                                                             | 284.48             | 240.84           | 279.06           | 525.32            | 607.84           |
|         | <b>Total Income from Operations</b>                                                                                    | <b>26,576.98</b>   | <b>26,187.88</b> | <b>30,529.01</b> | <b>52,764.86</b>  | <b>56,605.44</b> |
| 2       | <b>Expenses</b>                                                                                                        |                    |                  |                  |                   |                  |
|         | (a) Cost of materials consumed                                                                                         | 11,287.38          | 11,150.29        | 14,582.04        | 22,437.67         | 28,712.92        |
|         | (b) Purchase of stock-in-trade                                                                                         | -                  | -                | -                | -                 | -                |
|         | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade                                      | (497.15)           | (705.83)         | (1,960.88)       | (1,202.98)        | (4,680.80)       |
|         | (d) Manufacturing Expenses and Erection Charges                                                                        | 4,259.32           | 2,640.58         | 4,102.59         | 6,899.90          | 7,628.01         |
|         | (e) Excise Duty                                                                                                        | 1,614.57           | 1,499.27         | 1,921.33         | 3,113.84          | 3,468.93         |
|         | (f) Employee benefits expense                                                                                          | 3,713.74           | 3,888.16         | 3,856.61         | 7,601.90          | 7,335.49         |
|         | (g) Depreciation and amortisation expense                                                                              | 1,430.65           | 1,431.69         | 1,590.88         | 2,862.34          | 3,159.53         |
|         | (h) Other expenses                                                                                                     | 4,400.73           | 4,410.89         | 3,746.08         | 8,811.62          | 7,320.11         |
|         | <b>Total Expenses</b>                                                                                                  | <b>26,209.24</b>   | <b>24,315.05</b> | <b>27,838.65</b> | <b>50,524.29</b>  | <b>52,944.19</b> |
|         | <b>Profit / (Loss) from Operations before other income, finance costs &amp; Exceptional Items (1-2)</b>                | <b>367.74</b>      | <b>1,872.83</b>  | <b>2,690.36</b>  | <b>2,240.57</b>   | <b>3,661.25</b>  |
| 3       | <b>Other Income</b>                                                                                                    | 329.31             | 176.03           | 162.00           | 505.34            | 400.07           |
|         | <b>Profit / (Loss) from ordinary activities before finance costs and Exceptional Items (3+4)</b>                       | <b>697.05</b>      | <b>2,048.86</b>  | <b>2,852.36</b>  | <b>2,745.91</b>   | <b>4,061.32</b>  |
| 5       | <b>Finance costs</b>                                                                                                   | 1,824.59           | 1,904.76         | 1,872.51         | 3,729.35          | 3,462.59         |
|         | <b>Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)</b>                 | <b>(1,127.54)</b>  | <b>144.10</b>    | <b>979.85</b>    | <b>(983.44)</b>   | <b>598.73</b>    |
| 7       | <b>Exceptional items</b>                                                                                               | -                  | -                | -                | -                 | -                |
| 8       | <b>Profit / (Loss) before Tax (7+8)</b>                                                                                | <b>(1,127.54)</b>  | <b>144.10</b>    | <b>979.85</b>    | <b>(983.44)</b>   | <b>598.73</b>    |
| 9       | <b>Tax expenses / (credit)</b>                                                                                         | (331.91)           | 375.98           | 296.24           | 44.07             | (25.77)          |
| 10      | <b>Net Profit / (Loss) for the period after Tax (9-10)</b>                                                             | <b>(795.63)</b>    | <b>(231.88)</b>  | <b>683.61</b>    | <b>(1,027.51)</b> | <b>624.50</b>    |
| 11      | Share of Profit / (loss) of associates                                                                                 | 52.40              | 28.14            | 79.19            | 80.54             | 98.72            |
| 12      | Non Controlling Interests                                                                                              | -                  | -                | -                | -                 | -                |
| 13      | <b>Net Profit / (Loss) after Tax, Non Controlling Interests and share of profit/(loss) of associates (11+12-13)</b>    | <b>(743.23)</b>    | <b>(203.74)</b>  | <b>762.80</b>    | <b>(946.97)</b>   | <b>723.22</b>    |
| 14      | Other Comprehensive Income/(Expenses)                                                                                  | (12.77)            | (0.28)           | (7.41)           | (13.05)           | (14.68)          |
| 15      | <b>Total Comprehensive Income/(Expenses) after minority interest and share of profit/ (loss) of associates (14+15)</b> | <b>(756.00)</b>    | <b>(204.02)</b>  | <b>755.39</b>    | <b>(960.02)</b>   | <b>708.54</b>    |
| 16      | Paid-up equity share capital<br>(Face Value of the share Rs. 2/-)                                                      | 2,178.72           | 2,178.72         | 2,178.72         | 2,178.72          | 2,178.72         |
| 17      | <b>Earnings per share(of Rs. 2/- each) (not annualised):</b>                                                           |                    |                  |                  |                   |                  |
|         | (a) Basic                                                                                                              | (0.66)             | (0.18)           | 0.68             | (0.84)            | 0.64             |
|         | (b) Diluted                                                                                                            | (0.66)             | (0.18)           | 0.68             | (0.84)            | 0.64             |





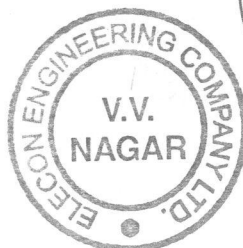
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**Notes:**

- 1 The above Consolidated Financial Results were reviewed and recommended by the Audit Committee and taken on record by the Board of Directors at their meeting held on 10th November, 2016.
- 2 The Consolidated Financial Results of the Company have been prepared in accordance with Indian Accounting Standards ("IND AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Company adopted IND AS w.e.f. April 01, 2016, (with a transition date of April 01, 2015) and accordingly, these financial results (including for previous comparative periods presented) have been prepared in accordance with the recognition and measurement principles of IND AS 34 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act 2013 read with the relevant rules issued there under and other accounting principles generally accepted in India.
- 3 The Company has adopted Indian Accounting Standards (IND AS) effective from 1st April 2016. The results for the quarter and six months ended 30th September, 2015 have been restated to be IND AS compliant and have not been subjected to limited review or audit. However, the management has exercised due diligence to ensure that the financial results provide a true and fair view of the Company's affairs.
- 4 As per IND AS 108, Operating Segment the Company has reported segment information under 2 segments 1) Material Handling Equipment and 2) Transmission Equipment.
- 5 The Consolidated Financial Results have been prepared in accordance with IND AS 110 " Consolidated Financial Statement" and IND AS 28 " Investments in Associates and Joint Ventures". Business Combination are accounted in accordance with IND AS 103. Any goodwill arising upon business Combination is not amortised but tested for impairment annually.
- 6 Tax expense includes provision for current income tax (based on estimated average effective annual income tax rate, considering tax allowances) and deferred tax charge/(credit).
- 7 The reconciliation of net profit reported in accordance with Indian GAAP to total comprehensive income in accordance with IND AS is given below:

| Sr.No | PARTICULARS                                                                                                                                                                            | (Rs. Lakhs)                                |                                               |
|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|-----------------------------------------------|
|       |                                                                                                                                                                                        | Quarter ended<br>30-09-2015<br>(Unaudited) | Six months ended<br>30-09-2015<br>(Unaudited) |
|       | <b>Net Profit for the period under previous Indian GAAP</b>                                                                                                                            | <b>140.31</b>                              | <b>553.23</b>                                 |
| 1     | Adjustment on account of :<br>Restatement of results due to merger of Elecon EPC Projects Limited with the Company (wef 1 April 2015) relating to reversal of non controlling interest | (476.38)                                   | (822.75)                                      |
| 2     | Adjustment for revenue recognition from milestone basis to percentage of completion basis under Indian GAAP                                                                            | 902.81                                     | 111.20                                        |
| 3     | Adjustment for provision for onerous contract under Indian IGAAP                                                                                                                       | 41.22                                      | 133.30                                        |
| 4     | Other adjustments under Indian IGAAP                                                                                                                                                   | 13.11                                      | 27.38                                         |
| 5     | Impact of measuring investments at fair value through Profit & Loss                                                                                                                    | 21.13                                      | 11.94                                         |
| 6     | Impact on depreciation due to fair valuation of certain property, plant & equipments                                                                                                   | 50.63                                      | 101.04                                        |
| 7     | Actuarial gains and losses on defined benefit plan reclassified to other comprehensive income (OCI)                                                                                    | 11.09                                      | 22.18                                         |
| 8     | Others                                                                                                                                                                                 | 2.18                                       | 4.36                                          |
| 9     | Deferred tax (as a result of amalgamation and IND AS)                                                                                                                                  | 56.70                                      | 581.35                                        |
|       | <b>Net Profit before Other Comprehensive Income as per IND AS</b>                                                                                                                      | <b>762.80</b>                              | <b>723.22</b>                                 |
|       | <b>Add/(Less): Adjustments in Other Comprehensive Income</b>                                                                                                                           |                                            |                                               |
| 10    | Other Comprehensive Income (Net of Tax)                                                                                                                                                | (7.41)                                     | (14.68)                                       |
|       | <b>Total Comprehensive Income as per IND AS</b>                                                                                                                                        | <b>755.39</b>                              | <b>708.54</b>                                 |

- 8 Figures of the previous period have been regrouped / reclassified wherever considered necessary.





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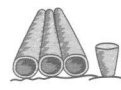
Marine Industry



Plastic Industry



Power Industry



Steel Industry



Sugar Industry



Mining



Cement Industry

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## UNAUDITED CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND SIX MONTHS ENDED 30-09-2016

| PARTICULARS                                                                             | Three Months Ended |                   |                   | Six Months Ended  |                   |
|-----------------------------------------------------------------------------------------|--------------------|-------------------|-------------------|-------------------|-------------------|
|                                                                                         | 30-09-2016         | 30-06-2016        | 30-09-2015        | 30-09-2016        | 30-09-2015        |
|                                                                                         | (Unaudited)        | (Unaudited)       | (Unaudited)       | (Unaudited)       | (Unaudited)       |
| <b>1. SEGMENT REVENUE</b>                                                               |                    |                   |                   |                   |                   |
| (a) Material Handling Equipment                                                         | 10,574.08          | 8,536.98          | 11,721.82         | 19,111.06         | 20,502.74         |
| (b) Transmission Equipment                                                              | 16,995.62          | 18,783.61         | 20,113.66         | 35,779.23         | 38,930.42         |
| (c) Un allocated                                                                        | -                  | -                 | -                 | -                 | -                 |
| <b>Total</b>                                                                            | <b>27,569.70</b>   | <b>27,320.59</b>  | <b>31,835.48</b>  | <b>54,890.29</b>  | <b>59,433.16</b>  |
| Less: Inter Segment Revenue                                                             | 992.72             | 1,132.71          | 1,306.47          | 2,125.43          | 2,827.72          |
| <b>Net Sales/Income from Operations</b>                                                 | <b>26,576.98</b>   | <b>26,187.88</b>  | <b>30,529.01</b>  | <b>52,764.86</b>  | <b>56,605.44</b>  |
| <b>2. SEGMENT RESULTS PROFIT(+)/LOSS(-) BEFORE TAX &amp; INTEREST FROM EACH SEGMENT</b> |                    |                   |                   |                   |                   |
| (a) Material Handling Equipment                                                         | (392.77)           | 88.08             | (41.91)           | (304.69)          | (1,046.14)        |
| (b) Transmission Equipment                                                              | 1,089.82           | 1,960.78          | 2,894.27          | 3,050.60          | 5,107.46          |
| (c) Un allocated                                                                        | -                  | -                 | -                 | -                 | -                 |
| <b>Total</b>                                                                            | <b>697.05</b>      | <b>2,048.86</b>   | <b>2,852.36</b>   | <b>2,745.91</b>   | <b>4,061.32</b>   |
| <b>Less:</b>                                                                            |                    |                   |                   |                   |                   |
| i) Finance Cost                                                                         | 1,824.59           | 1,904.76          | 1,872.51          | 3,729.35          | 3,462.59          |
| <b>Total Profit before Tax</b>                                                          | <b>(1,127.54)</b>  | <b>144.10</b>     | <b>979.85</b>     | <b>(983.44)</b>   | <b>598.73</b>     |
| <b>3. SEGMENT ASSETS</b>                                                                |                    |                   |                   |                   |                   |
| (a) Material Handling Equipment                                                         | 91,708.81          | 97,016.21         | 95,431.27         | 91,708.81         | 95,431.27         |
| (b) Transmission Equipment                                                              | 137,942.28         | 142,449.09        | 142,393.94        | 137,942.28        | 142,393.94        |
| (c) Un allocated                                                                        | -                  | -                 | -                 | -                 | -                 |
| <b>Total</b>                                                                            | <b>229,651.09</b>  | <b>239,465.30</b> | <b>237,825.21</b> | <b>229,651.09</b> | <b>237,825.21</b> |
| <b>4. SEGMENT LIABILITIES</b>                                                           |                    |                   |                   |                   |                   |
| (a) Material Handling Equipmeht                                                         | 57,505.38          | 63,349.57         | 65,519.81         | 57,505.38         | 65,519.81         |
| (b) Transmission Equipment                                                              | 94,255.35          | 96,282.38         | 96,991.82         | 94,255.35         | 96,991.82         |
| (c) Un allocated                                                                        | -                  | -                 | -                 | -                 | -                 |
| <b>Total</b>                                                                            | <b>151,760.73</b>  | <b>159,631.95</b> | <b>162,511.63</b> | <b>151,760.73</b> | <b>162,511.63</b> |

 Place : Vallabh Vidyanagar  
 Date : 10th Nov, 2016

For and on behalf of Board of Directors


 Prayasvin B. Patel  
 Chairman & Managing Director  
 DIN : 00037394


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Rubber Industry



Marine Industry



Plastic Industry



Power Industry



Steel Industry



Sugar Industry



Mining



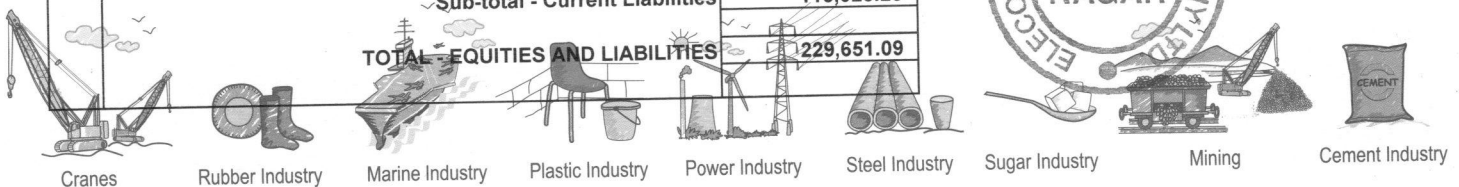
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**Elecon Engineering Company Limited**  
**Consolidated Statement of Asset and Liabilities**

(Rs in Lakhs)

| Particulars                                |  | As at<br>30/09/2016<br>(Unaudited) |
|--------------------------------------------|--|------------------------------------|
| <b>A. ASSETS</b>                           |  |                                    |
| <b>1. Non-Current Assets</b>               |  |                                    |
| a. Property, Plant and Equipment           |  | 77,958.66                          |
| b. Capital Work-in-Progress                |  | 116.41                             |
| c. Investment Property                     |  | 308.95                             |
| d. Goodwill                                |  | 8,351.31                           |
| e. Other Intangible Assets                 |  | 2,039.89                           |
| f. Intangible Assets Under Development     |  | 176.53                             |
| g. Financial Assets                        |  |                                    |
| (i) Investments                            |  | 4,424.06                           |
| (ii) Trade Receivables                     |  | 21,306.91                          |
| (iii) Other Financial Assets               |  | 741.91                             |
| h. Deferred Tax Asset (net)                |  | 2,350.75                           |
| i. Other Asset                             |  | 1,725.37                           |
| <b>Sub-total - Non-Current Assets</b>      |  | <b>119,500.75</b>                  |
| <b>2. Current Assets</b>                   |  |                                    |
| a. Inventories                             |  | 36,474.68                          |
| b. Financial Assets                        |  |                                    |
| (i) Investments                            |  | 158.46                             |
| (ii) Trade Receivables                     |  | 51,616.29                          |
| (iii) Cash and Cash Equivalents            |  | 2,837.06                           |
| (iv) Bank Balance other than (iii) above   |  | 1,044.49                           |
| (v) Others Financial Assets                |  | 3,438.23                           |
| c. Tax Assets (net)                        |  | 1,695.68                           |
| d. Other Assets                            |  | 12,885.45                          |
| <b>Sub-total - Current Assets</b>          |  | <b>110,150.34</b>                  |
| <b>TOTAL - ASSETS</b>                      |  | <b>229,651.09</b>                  |
| <b>B. EQUITY AND LIABILITIES</b>           |  |                                    |
| <b>1. Equity</b>                           |  |                                    |
| a. Equity Share Capital                    |  | 2,178.72                           |
| b. Other Equity                            |  | 75,711.64                          |
| <b>Sub-total - Equity</b>                  |  | <b>77,890.36</b>                   |
| <b>2. Non-Current Liabilities</b>          |  |                                    |
| a. Financial Liabilities                   |  |                                    |
| (i) Borrowings                             |  | 14,164.53                          |
| (ii) Trade Payables                        |  | 885.20                             |
| (iii) Other Financial Liabilities          |  | 61.13                              |
| b. Provisions                              |  | 453.62                             |
| c. Deferred Tax Liabilities (net)          |  | 12,737.74                          |
| d. Other Liabilities                       |  | 10,435.23                          |
| <b>Sub-total - Non-Current Liabilities</b> |  | <b>38,737.45</b>                   |
| <b>3. Current Liabilities</b>              |  |                                    |
| a. Financial Liabilities                   |  |                                    |
| (i) Borrowings                             |  | 38,324.23                          |
| (ii) Trade Payables                        |  | 40,318.10                          |
| (iii) Other Financial Liabilities          |  | 8,417.96                           |
| b. Other Liabilities                       |  | 18,484.54                          |
| c. Provision                               |  | 7,478.45                           |
| <b>Sub-total - Current Liabilities</b>     |  | <b>113,023.28</b>                  |
| <b>TOTAL - EQUITIES AND LIABILITIES</b>    |  | <b>229,651.09</b>                  |



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**B S R & Co. LLP**  
Chartered Accountants  
Lodha Excelus,  
5<sup>th</sup> Floor Apollo Mills Compound,  
N.M.Joshi Marg, Mahalaxmi  
Mumbai 400 011  
Telephone +91 (22) 4345 5300  
Fax +91 (22) 4345 5399

**Thacker Butala Desai**  
Chartered Accountants  
G 21-22, Tanariri Apartment,  
Ashabaug Society,  
Navsari-396445  
Gujarat  
Telephone +91 (02637) 257207  
Fax +91 (02637) 242802

**Limited Review Report on Quarterly and Year to Date Unaudited Consolidated Financial Results of Elecon Engineering Company Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To Board of Directors of  
Elecon Engineering Company Limited**

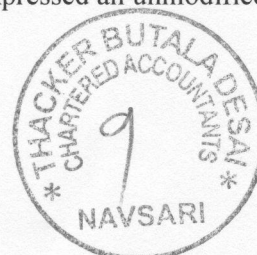
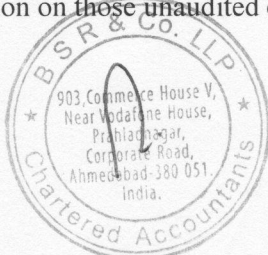
We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Elecon Engineering Company Limited ('the Company'), its subsidiaries and associates (the Company, its subsidiaries and an associate constitute 'the Group') for the quarter and six months ended 30 September 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on 10 November 2016. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (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 financial statements are 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.

The consolidated financial results for the quarter and six months ended 30 September 2015 reported under the previous GAAP, included in the Statement, are based on the previously issued results of the Company. These previously issued results were reviewed by Thacker Butala Desai, Chartered Accountants, whose report dated 28 October 2015 expressed an unmodified opinion on those unaudited consolidated financial results. We draw attention to the fact that management has adjusted these previously issued results for the differences in the accounting principles adopted by the Company on transition to the Indian Accounting Standards ('Ind AS') and presented a reconciliation for the same, which have been approved by the Company's Board of Directors. The figures for the corresponding quarter and six months ended 30 September 2015 including the reconciliation of profit under Ind AS reported in these Statement have not been subjected to review.

The consolidated financial results for the quarter ended 30 June 2016, included in the statement, were reviewed by Thacker Butala Desai, whose report dated 26 July 2016 expressed an unmodified opinion on those unaudited consolidated financial results.



**Review report (Continued)****Elecon Engineering Company Limited**

The Statement includes the results of the following entities:

| <b>Name of the entity</b>                                                           | <b>Relationship</b>     |
|-------------------------------------------------------------------------------------|-------------------------|
| Elecon Transmission International Limited<br>(including its following subsidiaries) | Wholly owned subsidiary |
| (a) Benzlers Systems AB                                                             |                         |
| (b) Radicon Transmission UK Limited                                                 |                         |
| (c) AB Benzlers                                                                     |                         |
| (d) Elecon US Transmission Limited                                                  |                         |
| (e) Benzler Transmission A.S.                                                       |                         |
| (f) Benzler Antriebstechnik G.m.b.h                                                 |                         |
| (g) Benzler TBA B.V.                                                                |                         |
| (h) Benzler Antriebstechnik Ges.m.b.h                                               |                         |
| (i) OY Benzler AB                                                                   |                         |
| (j) Benzlers SDN BDH                                                                |                         |
| (k) Benzlers Italia s.r.l.                                                          |                         |
| Elecon Singapore Pte Limited                                                        | Wholly owned subsidiary |
| Elecon Middle East FZE                                                              | Wholly owned subsidiary |
| Eimco (Elecon) India Limited                                                        | Associate               |
| Elecon Eng. (Suzhou) Co. Limited                                                    | Associate               |
| Elecon Africa Pty. Limited                                                          | Associate               |
| Elecon Australia Pty. Limited                                                       | Associate               |

The consolidated financial results include the Group's share of net profit for the quarter and six months ended 30 September 2016 of Rs 52.40 lakhs and Rs 80.54 lakhs respectively, as considered in the consolidated financial results, in respect of an associate, whose financial result have been reviewed by its auditor. Our opinion on the consolidated financial results, in so far it relates to the amounts and disclosures included in respect of the associate, is based solely on such reviewed financial result.

The financial results and other financial information of 14 subsidiaries and 3 associate have not been subjected to review and have been presented based on the financial information compiled by the management. These subsidiaries account for Rs. 31,293.96 lakhs of total assets as at 30 September 2016, total revenue of Rs. 6,908.25 lakhs and Rs. 14,466.22 lakhs for the quarter and six months ended 30 September 2016 respectively, and net loss of the group of Rs. 525.35 lakhs and Rs. 1,018.04 lakhs for the quarter and six months ended 30 September 2016 respectively as considered in the Statement. The financial results also include the Group share of net profit of Rs Nil for the quarter and six months ended 30 September 2016, in respect of 3 associates. Our review opinion on the consolidated financial results, insofar as it relates to these entities, is solely based on such financial information provided by the management.

**B S R & Co. LLP**

**Thacker Butala Desai**

**Review report (Continued)**

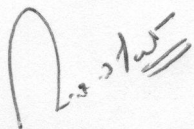
**Elecon Engineering Company Limited**

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 the applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listings Obligation and Disclosure Requirement) Regulation, 2015, and SEBI circular dated 5th July, 2016 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*

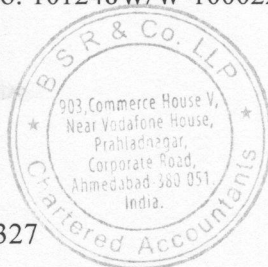
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**Nirav Patel**

*Partner*

Membership No: 113327



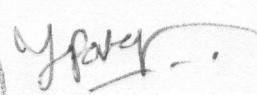
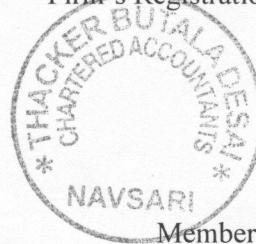
Vallabh Vidyanagar

Date: 10 November 2016

**For Thacker Butala Desai**

*Chartered Accountants*

Firm's Registration No: 110864W



**Yatin N. Patel**

*Partner*

Membership No: 122676

Vallabh Vidyanagar

Date: 10 November 2016

# Elecon Engineering announces Q2FY17 Results

**CONSOLIDATED H1FY17 NET REVENUE AT RS. 527.6 CRORES**

**EARNINGS CALL AT 4:00 PM TODAY**

**Vallabh Vidyanagar, India, November 10<sup>th</sup>, 2016-** Elecon Engineering Company Limited ("Elecon"), one of the largest manufacturers of gears in Asia and a leading player in MHE segment today announced its financial results for the **second quarter(Q2FY17)** and **six months(H1FY17)** period ended September 30<sup>th</sup>, 2016

## Financial Performance

### Standalone Q2FY17 Review (Includes the performance of erstwhile Elecon EPC)

- Total Operating income was Rs. 202.0 crores for Q2FY17 as compared to Rs. 232.9 crores in the corresponding period of the previous year reflecting a decline of 13%.
- EBITDA stood at Rs. 21.4 crores as compared to Rs. 36.0 crores during the corresponding period of previous year
- EBITDA Margin at 10.6% for Q2FY17 as against 15.5% in Q2FY16
- Net loss stood at Rs.3.1 crores for Q2FY17 as compared to a profit of Rs. 5.8 crores in the corresponding period of the previous year

*The performance in the Q2 FY17 has been affected by:*

- *Drop in revenues due to lower than anticipated offtake by key customers, the order execution is likely to improve in the H2 FY17*
- *Transition to the new accounting standards effective Q1 FY17*

### Consolidated H1FY17 Review (Includes standalone performance of merger and other subsidiaries)

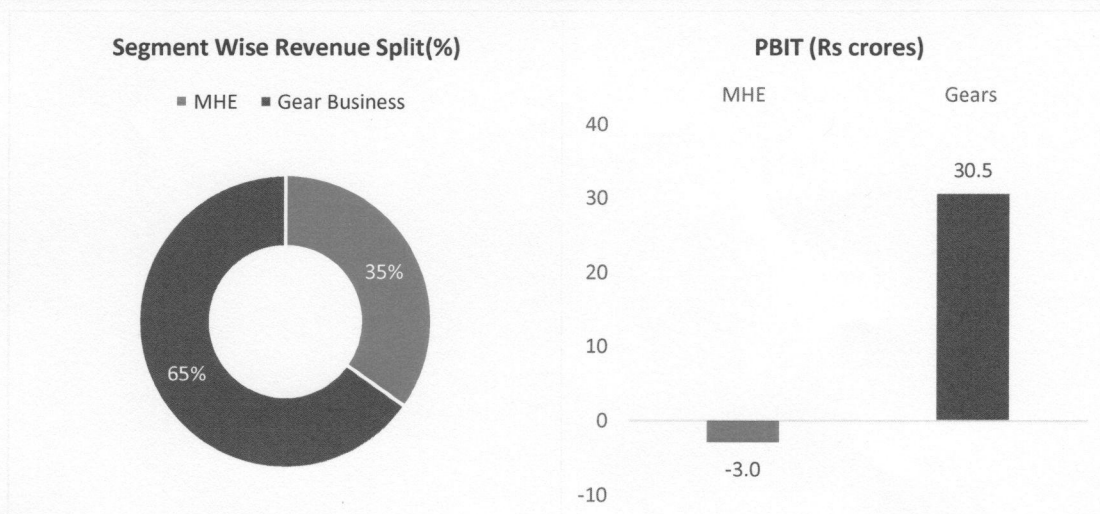
- Total Operating income was Rs. 527.6 crores for H1FY17 as compared to the income of Rs.566.1 crores in the corresponding period of the previous year, a decline of 7%
- EBITDA stood at Rs. 56.1 crores as compared to Rs. 72.2 crores during the corresponding period of previous year
- EBITDA Margin at 10.6% for H1FY17 as against 12.8% in H1FY16
- Consolidated Net loss stood at Rs. 9.6 crores for H1FY17 as compared to a Profit of Rs. 7.1 Crores in the corresponding period of the previous year

## Management Comments

Commenting on the Company's performance for H1FY17, **Mr. Prayasvin Patel, CMD** said *"The first half of this fiscal was relatively challenging for us given a combination of factors at the macro and company level. The integration process of the merger between the transmission and the material handling equipment is still underway and we have had some teething issues with that. The order inflow from the MHE business also continues to be under stress while we also witnessed a dip in orders in the gear segment due to weak economic activity. Overall, as we progress towards the second half of fiscal, we*

*believe once momentum at the macro level picks up and the current order book coupled with new bookings will help us gain our earnings momentum and achieve better performance in the foreseeable future”*

## Consolidated Segment Wise Performance (H1FY17)



## Order Book and Outlook

Despite the headwinds in the order-execution activity, the gear business continued to witness traction from the customers. During the quarter, we booked orders worth Rs. 135.2 crores in gear business. This translates to an order backlog of Rs. 744.6 crores for execution in the near to medium term. In the material handling business, we closed orders worth Rs. 48.5 crores which is on the lower side as we revisited strategy to focus on profitable and product based projects. The pending order book for MHE business now stands at Rs. 670.2 crores.

We firmly believe that the aberration in our performance is temporary and from a long term perspective, we continue to remain positive on our business strategy and revival of macro-economic activity.

## Analyst Conference Call

The company will conduct its earnings call at 4:00 PM IST on November 10<sup>th</sup>, 2016 where the senior management will discuss the company's performance and answer questions from participants. To participate in this conference call, please dial the numbers provided below ten minutes ahead of the scheduled start time. The dial-in number for this call is **+91 22 3960 0644/+91 22 6746 4144**. Other toll numbers are listed in the conference call invite which is posted on the company website. We will aim to post the transcript of the conference call on the company website within seven working days of the investor conference call.

## About Elecon Engineering Company Limited

Elecon Engineering Company Ltd (BSE code: 505700, NSE code: ELECON) is one of Asia's largest gear manufacturing Company with vast experience of about five 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](http://www.elecon.com)

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

**Rajat Jain**

Elecon Engineering Company Limited

P: 91-2692-238701/02/03/04

E: [rajatjain@elecon.com](mailto:rajatjain@elecon.com)

**Diwakar Pingle**

Christensen Investor Relations

P: +91 22 4215 0210

E: [dpingle@christensenir.com](mailto:dpingle@christensenir.com)

*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 Ltd. 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.*