

Date: 3rd August, 2017

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: Unaudited Financial Results for Quarter ended on 30th June, 2017
Ref: Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Dear Sir,

In terms of the subject referred regulations, we hereby enclose the Standalone and Consolidated Unaudited Financial Results for the quarter ended 30th June, 2017, duly taken on record and approved by the Board of Directors of the Company at its Meeting held on 3rd August, 2017.

We also enclose a copy of the following with respect to the aforesaid financial results:

- 'Limited Review Report' of the Statutory Auditors of the Company and
- Press Note giving highlights on the performance of the Company.

You are requested to kindly take the same on your records.

Thanking you,

Yours faithfully,
For Elecon Engineering Company Limited


Parthiv Parikh
 Company Secretary



Encl: a/a.



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ELECON ENGINEERING COMPANY LIMITED
STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER ENDED 30-06-2017

Sr. No.	PARTICULARS	Quarter Ended			Year Ended
		30-06-2017	31-03-2017	30-06-2016	31-03-2017
		(Unaudited)	(Audited) Refer Note 6	(Unaudited)	(Audited)
1	Revenue from operations	17,615.08	36,944.56	19,115.22	99,648.05
2	Other income	142.79	165.63	217.79	785.34
3	Total income (1+2)	17,757.87	37,110.19	19,333.01	100,433.39
4	Expenses				
	(a) Cost of materials consumed	8,353.45	12,704.96	6,771.57	35,925.70
	(b) Purchase of stock-in-trade	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(237.77)	2,390.97	(485.20)	2,326.74
	(d) Manufacturing expenses and erection charges	4,151.55	4,086.23	2,585.00	15,333.13
	(e) Excise duty	827.07	2,437.70	1,499.27	7,312.31
	(f) Employee benefits expense	1,956.49	1,990.64	2,177.48	8,536.71
	(g) Finance costs	1,321.39	1,478.08	1,577.65	6,304.87
	(h) Depreciation and amortisation expense	1,112.82	1,074.33	1,242.26	4,813.76
	(i) Other expenses	4,161.96	4,681.05	3,361.85	14,633.50
	Total expenses	21,646.96	30,843.96	18,729.88	95,186.72
5	Profit / (loss) before tax (3-4)	(3,889.09)	6,266.23	603.13	5,246.67
6	Tax expenses				
	Current tax	-	2,632.46	393.62	2,113.64
	Deferred tax	(14.52)	724.23	(40.67)	1,026.81
7	Net Profit / (loss) for the period after tax (5-6)	(3,874.57)	2,909.54	250.18	2,106.22
8	Other comprehensive income/(expenses) (net of tax)				
	Items that will not be reclassified to profit or loss	(26.60)	(75.38)	(12.26)	(106.42)
	Income tax relating to items that will not be reclassified to profit or loss	9.21	22.18	4.24	31.38
		(17.39)	(53.20)	(8.02)	(75.04)
9	Total comprehensive income/ (expenses) for the period (7 + 8)	(3,891.96)	2,856.34	242.16	2,031.18
10	Paid-up equity share capital (Face Value of the share Rs. 2/-)	2,244.00	2,244.00	2,178.72	2,244.00
11	Other equity	-	-	-	70,685.30
12	Earnings per share (of Rs. 2/- each) (not annualised)				
	(a) Basic	(3.45)	2.59	0.22	1.88
	(b) Diluted	(3.45)	2.59	0.22	1.88

See accompanying notes to the Financial Results

Notes:

- 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 August 3, 2017. These results are subjected to "Limited review" by the statutory auditors of the Company. The statutory auditors have issued an unqualified opinion. The report has been filed with the stock exchange and is available on the Company's website.
- This financial results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (IndAS) 34 Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013.
- The Honourable High Court of Gujarat vide its order dated October 07, 2016 sanctioned a scheme of Amalgamation (the Scheme) of Elecon EPC Projects Limited (EEPL) with the Company. The Scheme specified the appointed date of March 30, 2015. The corresponding previous quarter'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.
- 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.
- 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
- Figures for the quarter ended March 31, 2017 as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of third quarter of the previous financial year. Also the figures up to the end of third quarter of previous financials year had only been reviewed and not subject to audit.
- As per IND AS 108, Operating Segment the Company has reported segment information under 2 segments 1) Material Handling Equipment and 2) Transmission Equipment.
- Figures of the previous period have been regrouped / reclassified wherever considered necessary.



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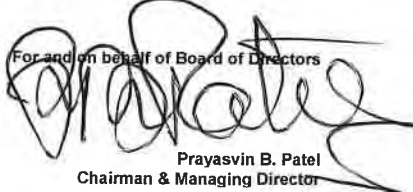
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UNAUDITED STANDALONE SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER ENDED 30-06-2017

PARTICULARS	Quarter Ended			Year Ended
	30-06-2017	31-03-2017	30-06-2016	31-03-2017
	(Unaudited)	(Audited) Refer Note 6	(Unaudited)	(Audited)
1. SEGMENT REVENUE				
(a) Material Handling Equipment	7,917.30	20,657.29	8,630.17	49,983.62
(b) Transmission Equipment	9,697.78	16,287.27	11,271.08	50,774.24
(c) Un allocated	-	-	-	-
Total	17,615.08	36,944.56	19,901.25	100,757.86
Less: Inter Segment Revenue	-	-	786.03	1,109.81
Net Sales/Income from Operations	17,615.08	36,944.56	19,115.22	99,648.05
2. SEGMENT RESULTS PROFIT (+)/LOSS(-) BEFORE TAX & INTEREST				
(a) Material Handling Equipment	(1,534.32)	4,715.94	272.67	4,257.79
(b) Transmission Equipment	(1,046.28)	3,149.95	1,921.49	7,350.93
Total	(2,580.60)	7,865.89	2,194.16	11,608.72
Less:				
i) Finance Cost	1,321.39	1,478.08	1,577.65	6,304.87
ii) Other Unallocated Corporate Expenses	10.95	142.71	49.70	283.54
iii) Unallocable income	23.85	21.13	36.32	226.36
Total Profit/(loss) before Tax	(3,889.09)	6,266.23	603.13	5,246.67
3. SEGMENT ASSETS				
(a) Material Handling Equipment	62,938.71	67,594.53	92,487.19	67,594.53
(b) Transmission Equipment	99,794.62	103,155.62	108,295.43	103,155.62
(c) Un allocated	15,803.23	15,122.29	16,954.75	15,122.29
Total	178,536.56	185,872.44	217,737.37	185,872.44
4. SEGMENT LIABILITIES				
(a) Material Handling Equipment	44,341.20	47,914.97	60,973.96	47,914.97
(b) Transmission Equipment	56,324.36	56,983.06	60,073.80	56,983.06
(c) Un allocated	8,833.70	8,045.11	14,804.36	8,045.11
Total	109,499.26	112,943.14	135,852.12	112,943.14
5. NET CAPITAL EMPLOYED	69,037.30	72,929.30	81,885.25	72,929.30

Place : Vallabh Vidyanagar
 Date : August 3, 2017



For and on behalf of Board of Directors

Prayasvin B. Patel
 Chairman & Managing Director
 DIN : 00037394



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ELECON ENGINEERING COMPANY LIMITED
STATEMENT OF CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER 30-06-2017

Sr. No.	PARTICULARS	Quarter Ended				Year Ended	
		30-06-2017	31-03-2017	30-06-2016	31-03-2017	30-06-2016	31-03-2017
		(Unaudited)	(Audited)- Refer note 2	(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Revenue from operations	24,266.01	44,541.14	26,323.63	127,465.54		
2	Other income	90.83	421.52	176.03	856.26		
3	Total income (1+2)	24,356.84	44,962.66	26,499.66	128,321.80		
4	Expenses						
	(a) Cost of materials consumed	11,711.23	16,296.97	11,150.29	53,157.32		
	(b) Purchase of stock-in-trade	-	-	-	-		
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	140.26	3,130.52	(705.83)	979.47		
	(d) Manufacturing expenses and erection charges	4,274.40	3,930.92	2,665.58	15,384.80		
	(f) Excise duty	827.07	2,437.70	1,499.27	7,312.31		
	(g) Employee benefits expense	3,753.39	3,676.16	3,905.16	15,277.64		
	(h) Finance costs	1,534.89	1,891.33	2,032.18	7,957.32		
	(i) Depreciation and amortisation expense	1,230.41	1,045.93	1,431.69	5,323.82		
	(j) Other expenses	4,498.28	6,434.25	4,377.22	18,951.58		
	Total expenses	27,969.93	38,843.78	26,355.56	124,344.26		
5	Profit / (Loss) before share in Profit of associate and tax (3-4)	(3,613.09)	6,118.88	144.10	3,977.54		
6	Share in profit of associate (net of tax)	33.72	251.76	28.14	408.39		
7	Profit / (Loss) before tax (5+6)	(3,579.37)	6,370.64	172.24	4,385.93		
8	Tax expenses						
	Current tax	54.24	2,672.73	416.65	2,280.59		
	Deferred tax	(14.52)	727.74	(40.67)	1,030.32		
9	Net Profit / Loss for the period after tax (7-8)	(3,619.09)	2,970.17	(203.74)	1,075.02		
10	Non controlling interest	-	-	-	-		
11	Net Profit / Loss after taxes and non controlling interest (9-10)	(3,619.09)	2,970.17	(203.74)	1,075.02		
12	Other comprehensive income/(expenses) (net of tax)						
	Items that will not be reclassified to profit or loss	(26.60)	(77.76)	(4.52)	(108.80)		
	Income tax relating to items that will not be reclassified to profit or loss	9.21	22.18	4.24	31.38		
	Items that will be reclassified to profit or loss	46.36	(59.68)	-	1,001.26		
13	Non controlling interest (Other comprehensive income)	-	-	-	-		
14	Other comprehensive income after non- controlling interest (net of tax)(12+13)	28.97	(115.26)	(0.28)	923.84		
15	Total comprehensive Income/ (Expenses) for the period (11+14)	(3,590.12)	2,854.91	(204.02)	1,998.86		
16	Total non controlling interest (10+13)	-	-	-	-		
17	Total comprehensive Income/(Expenses) for the period after non controlling interest	(3,590.12)	2,854.91	(204.02)	1,998.86		
18	Paid-up equity share capital						
	(Face Value of the share Rs. 2/-)	2,244.00	2,244.00	2,178.72	2,244.00		
19	Other equity						
20	Earnings per share (of Rs. 2/- each) (not annualised)						
	(a) Basic	(3.23)	2.65	(0.19)	0.96		
	(b) Diluted	(3.23)	2.65	(0.19)	0.96		

See accompanying notes to the Financial Results

- The above consolidated unaudited financial results were reviewed and recommended by the Audit Committee and taken on record by the Board of Directors at their meeting held on August 3, 2017. These results are subject to 'Limited Review' by the statutory auditors of the Company. The statutory auditors have expressed an unqualified opinion. The report has been filed with the stock exchange and is available on the Company's website.
- Figures for the quarter ended March 31, 2017 as reported in these unaudited financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of third quarter of the relevant financial year. Also the figures up to the end of third quarter had only been reviewed and not subject to audit.
- These unaudited financial results have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (IndAS) 34 Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013.
- As per IND AS 108, Operating Segment, the Company has reported segment information under 2 segments 1) Material Handling Equipment and 2) Transmission Equipment.
- These unaudited consolidated financial results have been prepared in accordance with IND AS 110 "Consolidated Financial Statement" and IND AS 28 "Investment in Associates and Joint Ventures". Business combination are accounted in accordance with IND AS 103. Any goodwill arising on business combination is not amortised but tested for impairment annually.
- Other comprehensive income mainly comprises of re-measurement of defined benefit plan and exchange difference on translation of financial statements of foreign operations.
- Previous period / year figures have been regrouped / re-arranged, wherever considered necessary, to confirm to the current period presentation.



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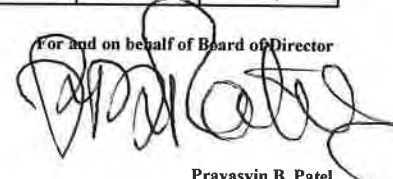
UNAUDITED CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER 30-06-2017

(₹ in Lakhs)

PARTICULARS	Quarter Ended			Year Ended
	30-06-2017	31-03-2017	30-06-2016	31-03-2017
	(Unaudited)	(Audited)- Refer note 2	(Unaudited)	(Audited)
1. SEGMENT REVENUE				
(a) Material Handling Equipment	7,917.30	20,657.29	8,630.17	49,983.62
(b) Transmission Equipment	16,348.71	23,883.85	18,479.49	78,591.73
(c) Un allocated	-	-	-	-
Total	24,266.01	44,541.14	27,109.66	128,575.35
Less: Inter segment revenue	-	-	786.03	1,109.81
Revenue from operations	24,266.01	44,541.14	26,323.63	127,465.54
2. SEGMENT RESULTS(PROFIT)(+)/LOSS(-) BEFORE TAX & INTEREST FROM EACH SEGMENT				
(a) Material Handling Equipment	(1,534.31)	4,715.94	272.67	4,257.79
(b) Transmission Equipment	(544.98)	3,450.42	1,927.72	7,847.73
Total	(2,079.29)	8,166.36	2,200.39	12,105.52
Less:				
i) Finance cost	1,534.89	1,891.33	2,032.18	7,957.32
ii) Other unallocated corporate expenses net off	22.74	177.28	60.43	349.09
iii) Unallocable income	57.55	272.89	64.46	586.82
Total profit/(loss) before tax	(3,579.37)	6,370.64	172.24	4,385.93
3. SEGMENT ASSETS				
(a) Material Handling Equipment	62,938.71	67,594.53	92,487.19	67,594.53
(b) Transmission Equipment	128,399.13	133,937.23	136,129.26	133,937.23
(c) Un allocated	7,990.76	7,903.37	10,848.85	7,903.37
Total	199,328.60	209,435.13	239,465.30	209,435.13
4. SEGMENT LIABILITIES				
(a) Material Handling Equipment	44,341.20	47,914.97	60,973.96	47,914.97
(b) Transmission Equipment	78,077.35	81,067.30	83,107.50	81,067.30
(c) Un allocated	9,515.19	9,467.89	15,550.49	9,467.89
Total	131,933.74	138,450.16	159,631.95	138,450.16
5.NET CAPITAL EMPLOYED	67,394.86	70,984.97	79,833.35	70,984.97

 Place : Vallabh Vidyanagar
 Date : August 3, 2017


For and on behalf of Board of Director



 Prayasvin B. Patel
 Chairman & Managing Director
 DIN : 00037394


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Limited Review Report on Unaudited Quarterly 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**

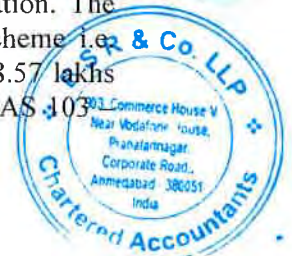
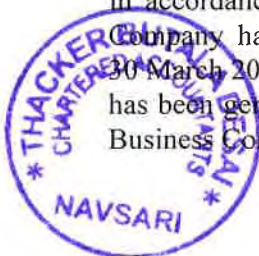
We have reviewed the accompanying statement of unaudited standalone financial results ('the Statement') of Elecon Engineering Company Limited ('the Company') for the quarter ended 30 June 2017, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the quarter ended 31 March 2017 as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the previous financial year.

This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on 3 August 2017. 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 results 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.

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 (Listing Obligations 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 5 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.



B S R & Co. LLP

Thacker Butala Desai

Review report (*Continued*)

Elecon Engineering Company Limited

The standalone financial results for the comparative period 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.

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

Chartered Accountants

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


Nirav Patel
Partner
Membership No: 113327



Vallabh Vidyanagar
Date: 3 August 2017

For **Thacker Butala Desai**

Chartered Accountants

Firm's Registration No: 110864W





Yatin N. Patel
Partner
Membership No: 122676

Vallabh Vidyanagar
Date: 3 August 2017

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Limited Review Report on Unaudited Quarterly 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**

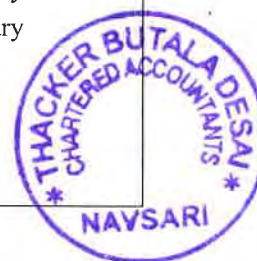
We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Elecon Engineering Company Limited ('the Company') and its subsidiaries and associates (collectively 'the Group') for the quarter ended 30 June 2017, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the quarter ended 31 March 2017 as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the previous financial year.

This Statement is the responsibility of the Company's management and has been approved by the Board of Directors in their meeting held on 3 August 2017. 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 results 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 Statement includes the results of the following entities:

Name of the entity	Relationship
Elecon Transmission International Limited (including its following subsidiaries)	Wholly owned subsidiary
(a) Benzlers Systems AB	
(b) Radicon Transmission UK Limited	
(c) AB Benzlers	
(d) Radicon Drive Systems, Inc (formerly known as Elecon US Transmission Limited)	
(e) Benzler Transmission A.S.	
(f) Benzler TBA B.V.	
(g) Benzler Antriebstechnik G.m.b.h	
(h) OY Benzler AB	
(i) 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



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

The consolidated financial results include the Group's share of net profit for the quarter ended 30 June 2017 of Rs. 33.72 lakhs, 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. Our conclusion is not modified in respect of this matter.

Of the 12 subsidiaries listed above, the interim financial results and financial information of subsidiaries which are located outside India have been prepared under the generally accepted accounting principles ('GAAPs') applicable in their respective countries. The Company's management has converted these interim financial results from accounting principles generally accepted in their respective countries to Indian Accounting Standard prescribed under Section 133 of the Companies Act, 2013. We have reviewed these conversion adjustments made by the Company's management. Our conclusion in so far as it relates to such subsidiaries located outside India is based on the aforesaid conversion adjustments prepared by the Company's management and reviewed by us.

The financial results and other financial information of two subsidiaries and three associates have not been subjected to review and have been presented based on the financial information compiled by the management. These subsidiaries account for total revenue of Rs. 361.17 lakhs, net loss of the Group of Rs. 75.79 lakhs and total comprehensive income (net of tax) of Rs. Nil lakhs for the quarter ended 30 June 2017 as considered in the Statement. The consolidated financial results also include the Group's share of net profit of Rs. Nil for the quarter ended 30 June 2017, in respect of three associates. Our review opinion on the unaudited consolidated financial results, insofar as it relates to these entities, is solely based on such financial information provided by the management. In our opinion and according to the information and explanations given to us by the Management of the Company, these financial results are not material to the Group. Our conclusion is not modified in respect of this matter.

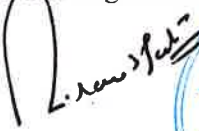
Based on our review conducted as above and based on the consideration of report of the other auditor and management certified accounts as highlighted above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results, prepared 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 (Listing Obligations 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.

The consolidated financial results for the comparative period 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.

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

Chartered Accountants

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



Nirav Patel
Partner
Membership No: 113327

Anand

Date: 3 August 2017

For **Thacker Butala Desai**

Chartered Accountants

Firm's Registration No: 110864W



Yatin N. Patel
Partner
Membership No: 122676

Anand

Date: 3 August 2017

Elecon Engineering announces Q1FY18 Results

STANDALONE Q1FY18 TOTAL REVENUE AT RS.177.6 CRORES

Vallabh Vidyanagar, India, August 3rd, 2017- 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 **First Quarter (Q1FY18)** period ended June 30th, 2017.

Financial Performance

Standalone Q1FY18 Review

- Total revenue was Rs. 177.6 Crores for Q1FY18 as compared to Rs. 193.3 Crores in the corresponding period of the previous year, reflecting a decline of 8.1%
- EBITDA stood at Rs. -14.5 Crores as compared to Rs. 34.2 Crores during the corresponding period of previous year.
- EBITDA Margin at -8.2% for Q1FY18 as against 17.7% in Q1FY17
- Net Loss stood at Rs. 38.7 Crores for Q1FY18 as compared to a profit of Rs. 2.5 Crores in the corresponding period of the previous year.

Consolidated Q1FY18 Review

- Total revenue was Rs. 243.6 Crores for Q1FY18 as compared to Rs. 265.4 Crores in the corresponding period of the previous year, reflecting a decline of 8.2%.
- EBITDA stood at Rs. -8.5 Crores as compared to Rs. 33.2 Crores during the corresponding period of previous year.
- EBITDA Margin at -3.5% for Q1FY18 as against 12.5% in Q1FY17
- Net Loss stood at Rs. 36.2 Crores for Q1FY18 as compared to a loss of Rs. 2.0 Crores in the corresponding period of the previous year.

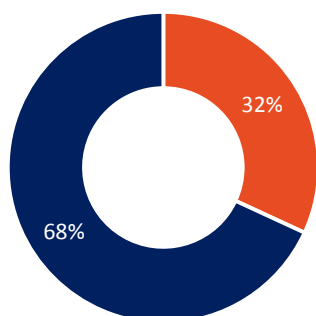
Management Comments

Commenting on the Company's performance for Q1FY18, **Mr. Prayasvin Patel, CMD** said *"The first quarter of the fiscal has been a challenging one as we witnessed economic as well as operational headwinds. With the global slowdown of economic activities affecting the Engineering industry, we primarily focused on strategizing and reorganization of the company. This quarter, we also experienced a dip in turnover due to customer issues which affected the company's fixed overhead coverage costs. We have started seeing an improvement in our order flow post realignment of Elecon and Elecon EPC and are hopeful to see better performance during this financial year"*

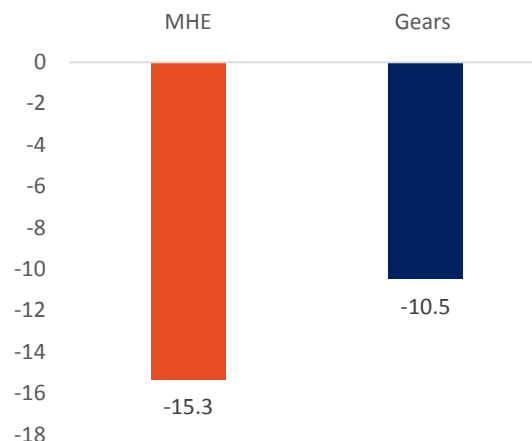
Segment Wise Performance (Q1FY18)

Segment Wise Revenue Split(%)

■ MHE ■ Gear Business



PBIT (Rs crores)



Performance of the overseas subsidiary

During the quarter, our overseas business under Benzlers and Radicon registered revenue of Rs. 66.8 Crores with EBITDA of Rs. 2.2 Crores.

Order Book and Outlook

During the quarter, we booked orders worth Rs. 138.8 Crores in gear business. This translates to an order backlog of Rs. 733.7 Crores for execution in the near to medium term. In the material handling business, we bagged orders worth Rs. 80.4 Crores. The pending order book for MHE business now stands at Rs. 628.9 Crores.

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

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

Rajat Jain

Elecon Engineering Company Limited

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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 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.