

9th August, 2018

To,
The Department of Corporate Services,
BSE Limited
P J Towers,
Dalal Street, Fort
Mumbai – 400001

To,
National Stock Exchange of India Ltd.
Exchange Plaza,
Bandra – Kurla Complex,
Bandra (East), Mumbai 400 051

BSE: 504008

NSE: EMCO

Sub.: Outcome of the Board Meeting

Dear Sir,

Pursuant to Regulation 30 and 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, this is to inform you that the Board of Directors of the Company at their meeting held today i.e on 9th August, 2018 has *inter-alia*, considered and approved the followings items:

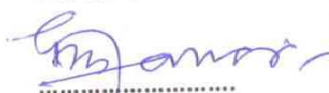
1. Un-audited Financial Results of the Company for the First Quarter ended 30th June, 2018 along with Limited review report thereon issued by the Statutory Auditors. (Copy of the result and limited review report are enclosed herewith)
2. Sale and transfer of Solar Division of EMCO Limited to its Wholly owned Subsidiary Company i.e EMCO Infrastructure Limited on slump sale basis. Disclosures pursuant to Regulation 30 of the Listing Regulation read with SEBI Circular CIR/CFD/CMD/4/2015 dated 9th September, 2015 is enclosed herewith.

The meeting of Board of Directors commenced at 4:00 p.m. and concluded at 5.45 p.m.

Kindly take this on your record.

Thanking you,
Yours faithfully,

For EMCO LIMITED



Ganesh Tawari
Company Secretary & Compliance Officer



Encl.: as above.



Disclosures pursuant to Regulation 30 of the Listing Regulation read with SEBI Circular CIR/CFD/CMD/4/2015 dated 9th September, 2015

The Board of Directors ("BoD") of the Company has today in its Board Meeting approved the sale of entire 5 MWp Solar Business of EMCO limited ("EMCO" or "the Company" or "the Transferor Company") to its Wholly Owned Subsidiary ("WoS") – EMCO Infrastructure Limited ("EMCO Infra" or the "Transferee Company")

Disclosures pursuant to Regulation 30 of the SEBI (LODR) Regulations, 2015 are as under

- a) the amount and percentage of the turnover or revenue or income and net worth contributed by Solar Division as on March 31, 2018:

Revenue is INR 6.26 Cr. i.e 1.79 % of Total Revenue

Book Net-worth is INR 22.53 crs i.e. 7.34 % of Total Net Worth

- b) **Date on which the agreement for sale and transfer will be enter;**

The agreement for sale of Solar business("Agreement") shall be in the manner as advised by the tax and legal advisors and will be subject to requisite applicable contractual, statutory and regulatory approvals.

- c) **the expected date of completion of sale;**

Within 3 months from the date of entering the Agreement or such other date as may be decided by the Board of Directors of both the companies, upon receipt of necessary approval from lenders etc.

- d) **consideration received from such sale/disposal;**

The lump sum Equity Consideration would be not more than INR 15 Crore and would be subject to working capital and other adjustment till the date of closing of the Agreement.

- e) **Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies.**

EMCO Infrastructure Limited is the Wholly Owned Subsidiary of Emco Limited.

- f) **Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length";**

The Sale of Solar Business is from EMCO Limited the holding company to its Wholly Owned Subsidiary ("WoS") – EMCO Infra, which is exempted from the requirements of related party



as per Regulation 23(5)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Prior Approval of Audit Committee has been obtained on 09.08.2018.

g) Name of the entities. Details in brief such as size, turnover, etc.

EMCO limited was incorporated on 19th September, 1964. The Financial details are as follows;

- Paid-up Share Capital is INR 13.58 Cr.
- Reserves & Surplus is INR 293.02 Cr.
- Revenue for the 3 Months ended 30.06.2018 is INR 93.65 Cr.
- Profit / (Loss) Before Tax for the 3 Months ended 30.06.2018 in INR (28.89) Cr.

EMCO Infrastructure Limited was incorporated on 14th August, 2008. The Financial details are as follows;

- Paid-up Share Capital is INR 5.00 Lacs.
- Reserves & Surplus is INR (3.70) Lacs
- Total Revenue for the Financial Year ended 31.03.2018 is INR 0.30 Lacs.
- Profit / (Loss) Before Tax for the Financial Year ended 31.03.2018 is INR (1.05) Lacs.

h) Area of business of the entity(ies)

EMCO Limited

EMCO Limited focuses on the areas of Transformers, Sub-Stations, and Transmission Towers & Lines and provides solutions and products for power generation, transmission, distribution utilities and industry in India and over 50 countries worldwide.

EMCO Infrastructure Limited

The company is primarily incorporated for power generation, transmission, and allied business through renewable energy.

i) Rationale for proposed Slump Sale

To enable investments by strategic investor.

j) in case of cash consideration – amount or otherwise share exchange ratio

Please refer the details as stated above.

k) brief details of change in shareholding pattern (if any) of listed entity

No change in the shareholding pattern of EMCO Limited on account of the proposed slump sale.

Products and Solutions for Power Generation, Transmission, Distribution Utilities & Industry



Transformers



Substations



Transmission
Towers and lines



Smart Meters



Services



www.emco.co.in

