

11<sup>th</sup> July, 2023

To,

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

**Sub : Outcome of Board Meeting held on Tuesday, 11<sup>th</sup> July, 2023**  
**Ref : Regulations 30 and 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam,

In terms of the subject referred Regulations, this is to inform you that the Board of Directors of the Company has at its meeting held today i.e. on 11<sup>th</sup> July, 2023, *inter alia*, approved:

1. the Unaudited Financial Results (Standalone & Consolidated) alongwith Limited Review Report of the Company for the quarter ended on 30<sup>th</sup> June, 2023.

We enclose herewith following:-

- a. Unaudited Financial Results (Standalone & Consolidated) alongwith Limited Review Reports of the Statutory Auditors thereon and;
  - b. Press Release giving highlights on the performance of the Company.
2. to incorporate the wholly owned subsidiary (WOS) of Elecon Middle East FZCO, Dubai, which is a WOS of the Company.

The meeting commenced at 10:00 a.m. and concluded at 11:35 a.m.

You are requested to take the same on your records.

Thanking you.

Yours faithfully,  
 For Elecon Engineering Company Limited,



**Bharti Isarani**  
 Company Secretary & Compliance Officer

Encl.: As above



Cranes



Rubber Industry



Marine Industry



Plastic Industry



Power Industry



Steel Industry



Sugar Industry



Mining



Cement Industry

**Gearing industries. Gearing economies.**



ISO 9001:2015  
ISO 14001:2015  
ISO 45001:2018



www.tuv.com  
ID: 3105917019



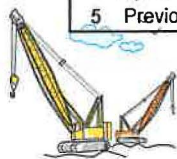
**ELECON ENGINEERING COMPANY LIMITED**  
**STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2023**

(Amounts in INR Lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended
		30 June 2023	31 March 2023	30 June 2022	31 March 2023
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
			Refer Note 2		
1	Revenue from operations	32,438	33,054	25,719	1,19,699
2	Other income	640	925	163	1,635
3	<b>Total Income (1+2)</b>	<b>33,078</b>	<b>33,979</b>	<b>25,882</b>	<b>1,21,334</b>
4	<b>Expenses</b>				
	(a) Cost of materials consumed	16,223	14,643	11,060	54,071
	(b) Changes in inventories of finished goods and work-in-progress	(2,536)	1,450	33	751
	(c) Manufacturing expenses and erection charges	3,418	3,439	2,656	11,782
	(d) Employee benefits expense	2,465	1,658	2,293	8,345
	(e) Finance costs	187	371	360	1,130
	(f) Depreciation and amortisation expense	994	1,081	909	3,928
	(g) Other expenses	4,199	3,944	4,180	16,681
	<b>Total Expenses</b>	<b>24,950</b>	<b>26,586</b>	<b>21,491</b>	<b>96,688</b>
5	<b>Profit / (Loss) before tax (3-4)</b>	<b>8,128</b>	<b>7,393</b>	<b>4,391</b>	<b>24,646</b>
6	<b>Tax expenses</b>				
	Current tax	2,076	1,858	1,135	6,299
	Adjustment of tax relating to earlier periods	-	(352)	-	(349)
	Deferred tax	(38)	(51)	(38)	(119)
7	<b>Net Profit / (Loss) for the period after tax (5-6)</b>	<b>6,090</b>	<b>5,938</b>	<b>3,294</b>	<b>18,815</b>
8	<b>Other comprehensive income / (expenses) (net of tax)</b>				
	Items that will not be reclassified to profit or loss	(21)	32	21	(84)
	Income tax related to items that will not be reclassified to profit or loss	5	(8)	(5)	21
9	<b>Total comprehensive income / (expense) for the period (7+8)</b>	<b>6,074</b>	<b>5,962</b>	<b>3,310</b>	<b>18,752</b>
10	<b>Paid-up equity share capital</b> (Face value per equity share INR 2/-)	2,244	2,244	2,244	2,244
11	<b>Other equity</b>				1,05,692
12	<b>Earnings per share (of INR 2/- each) (not annualised) (In Rupees)</b>				
	(a) Basic	5.43	5.29	2.94	16.77
	(b) Diluted	5.43	5.29	2.94	16.77

**Notes:**

- The above unaudited standalone financial results for the quarter ended 30th June, 2023 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 11th July, 2023. The statutory auditors have expressed an unmodified conclusion on these standalone financial results. The review report has been filed with the stock exchanges and is available on the Company's website.
- Figures for the quarter ended 31st March, 2023 as reported in these unaudited standalone financial results are the balancing 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 upto the end of third quarter had only been reviewed and not subjected to audit.
- As per Ind AS 108 - 'Operating Segments', the Company has reported segment information under two segments i.e. 1) Transmission Equipment and 2) Material Handling Equipment
- Cost of materials consumed includes:
  - Settlement and payment to vendors INR NIL for the quarter ending 30th June, 2023 (INR 695 Lakhs for the quarter ending 30th June, 2022)
  - Reversal of provision for earlier period against uncertain Input Tax Credit related to GST INR 430 lakhs for current quarter due to utilisation of same.
- Previous period figures have been regrouped / reclassified wherever necessary.



Cranes



Rubber Industry



Marine Industry



Plastic Industry



Power Industry



Steel Industry



Sugar Industry



Mining



Cement Industry

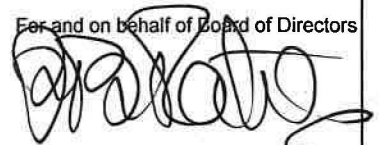
**Gearing industries. Gearing economies**

**UNAUDITED STANDALONE SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER ENDED 30TH JUNE, 2023**

(Amounts in INR Lakhs)

Particulars	Quarter Ended			Year Ended
	30 June 2023	31 March 2023	30 June 2022	31 March 2023
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
		Refer Note 2		
<b>1. SEGMENT REVENUE</b>				
(a) Transmission Equipment	27,078	27,246	21,443	98,074
(b) Material Handling Equipment	5,360	5,809	4,276	21,625
<b>Net Sales / Income from Operations</b>	<b>32,438</b>	<b>33,055</b>	<b>25,719</b>	<b>1,19,699</b>
<b>2. SEGMENT RESULTS PROFIT (+)/LOSS(-) BEFORE TAX &amp; INTEREST</b>				
(a) Transmission Equipment	7,204	6,811	4,813	23,540
(b) Material Handling Equipment	1,220	1,115	463	3,230
<b>Total</b>	<b>8,424</b>	<b>7,926</b>	<b>5,276</b>	<b>26,770</b>
<b>Less:</b>				
i) Finance Cost	187	371	360	1,130
ii) Other unallocated corporate overheads	594	479	626	1,623
iii) Unallocable income	(485)	(318)	(101)	(629)
<b>Total Profit / (Loss) before Tax</b>	<b>8,128</b>	<b>7,394</b>	<b>4,391</b>	<b>24,646</b>
<b>3. SEGMENT ASSETS</b>				
(a) Transmission Equipment	1,15,092	1,01,937	92,488	1,01,937
(b) Material Handling Equipment	18,634	18,975	24,543	18,975
(c) Unallocated	18,038	20,654	19,419	20,654
<b>Total</b>	<b>1,51,764</b>	<b>1,41,566</b>	<b>1,36,450</b>	<b>1,41,566</b>
<b>4. SEGMENT LIABILITIES</b>				
(a) Transmission Equipment	27,557	22,851	29,923	22,851
(b) Material Handling Equipment	6,436	6,448	6,691	6,448
(c) Unallocated	6,004	4,331	7,343	4,331
<b>Total</b>	<b>39,998</b>	<b>33,630</b>	<b>43,957</b>	<b>33,630</b>
<b>5. NET CAPITAL EMPLOYED</b>	<b>1,11,766</b>	<b>1,07,936</b>	<b>92,493</b>	<b>1,07,936</b>

For and on behalf of Board of Directors

Prayasvin B. Patel

Chairman &amp; Managing Director

DIN : 00037394

Place : Vallabh Vidyanagar

Date : 11th July, 2023

Independent Auditor's 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, as amended.

To  
The Board of Directors of  
Elecon Engineering Company Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Elecon Engineering Company Limited ("the Company") for the quarter ended June 30, 2023, ("The Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

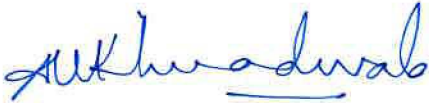


4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of Unaudited Standalone Financial Results prepared in accordance with applicable Indian Accounting Standards, prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which, it is to be disclosed, or that it contains any material misstatement.

For C N K & Associates LLP

Chartered Accountants

Firm Registration No.: 101961 W/W - 100036



Himanshu Kishnadwala

Partner

Membership No. 037391

UDIN: 23037391BGULXL7114

Place: Vallabh Vidyanagar

Date: July 11, 2023





ISO 9001:2015  
ISO 14001:2015  
ISO 45001:2018



www.tuv.com  
ID: 9105017019



**ELECON ENGINEERING COMPANY LIMITED**  
**STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2023**

(Amounts in INR Lakhs)

Sr. No.	Particulars	Quarter ended			Year ended
		30 June 2023	31 March 2023	30 June 2022	31 March 2023
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
			Refer Note 2		
1	Revenue from operations	41,434	42,454	32,772	1,52,968
2	Other income	850	781	446	2,006
3	<b>Total Income (1+2)</b>	<b>42,284</b>	<b>43,235</b>	<b>33,218</b>	<b>1,54,974</b>
4	<b>Expenses</b>				
	(a) Cost of materials consumed	19,456	19,896	14,469	71,936
	(b) Purchase of stock-in-trade	-	-	-	-
	(b) Changes in inventories of finished goods and work-in-progress	(1,346)	1,670	(125)	(501)
	(c) Manufacturing expenses and erection charges	3,531	3,556	2,741	12,137
	(d) Excise duty	-	-	-	-
	(d) Employee benefits expense	4,589	3,126	4,136	14,973
	(e) Finance costs	247	460	411	1,331
	(f) Depreciation and amortisation expense	1,242	1,360	1,142	4,904
	(g) Other expenses	5,207	4,921	5,062	20,535
	<b>Total Expenses</b>	<b>32,926</b>	<b>34,989</b>	<b>27,836</b>	<b>1,25,315</b>
5	<b>Profit / (Loss) before share in profit of associate and tax (3-4)</b>	<b>9,358</b>	<b>8,246</b>	<b>5,382</b>	<b>29,659</b>
6	Share in profit of associate (net of tax)	89	163	(22)	325
7	<b>Profit / (Loss) before tax (5+6)</b>	<b>9,447</b>	<b>8,409</b>	<b>5,360</b>	<b>29,984</b>
8	<b>Tax expenses</b>				
	Current tax	2,189	2,015	1,161	6,692
	Adjustment of tax relating to earlier periods	-	(352)	6	(343)
	Deferred tax	(38)	(48)	(38)	(116)
9	<b>Net Profit / (Loss) for the period after tax (7-8)</b>	<b>7,296</b>	<b>6,794</b>	<b>4,231</b>	<b>23,751</b>
10	Non-controlling interest	-	-	-	-
11	<b>Net Profit / (Loss) after tax and non controlling interest (9-10)</b>	<b>7,296</b>	<b>6,794</b>	<b>4,231</b>	<b>23,751</b>
12	<b>Other comprehensive income/(expense) (net of tax)</b>				
	A (i) Items that will not be reclassified to profit or loss	120	51	80	53
	(ii) Income tax related to items that will not be reclassified to profit or loss	5	(7)	(5)	22
	B (i) Items that will be reclassified to profit or loss	(238)	244	(459)	633
13	<b>Total comprehensive income/(expense) for the period (11+12)</b>	<b>7,183</b>	<b>7,082</b>	<b>3,847</b>	<b>24,459</b>
14	<b>Paid-up equity share capital</b> (Face value per equity share INR 2/-)	2,244	2,244	2,244	2,244
15	<b>Other equity</b>				1,25,667
16	<b>Earnings per share (of INR 2/- each) (not annualised) (In Rupees)</b>				
	(a) Basic	6.50	6.05	3.77	21.17
	(b) Diluted	6.50	6.05	3.77	21.17

**Notes:**

- The above unaudited consolidated financial results for the quarter ended 30th June, 2023 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 11th July, 2023. The statutory auditors have expressed an unmodified conclusion on these consolidated financial results. The review report has been filed with the stock exchanges and is available on the Holding Company's website.
- Figures for the quarter ended 31st March, 2023 and corresponding quarter ended in the previous year as reported in these consolidated financial results are the balancing 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 subjected to audit.
- As per Ind AS 108 - 'Operating Segments', the Group has reported segment information under two segments i.e. 1) Transmission Equipment and 2) Material Handling Equipment.
- Cost of materials consumed of Holding Company includes:
  - Settlement and payment to vendors INR NIL for the quarter ending 30th June, 2023 (INR 695 Lakhs for the quarter ending 30th June, 2022)
  - Reversal of provision for earlier period against uncertain Input Tax Credit related to GST INR 430 Lakhs for the current quarter due to utilization of same.
- Previous period figures have been regrouped / reclassified wherever necessary.



Cranes



Rubber Industry



Marine Industry



Plastic Industry



Power Industry



Steel Industry



Sugar Industry



Mining



Cement Industry

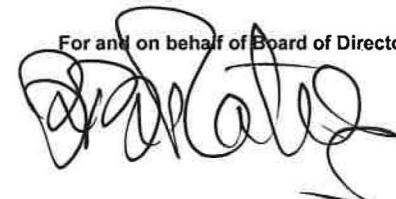
**Gearing industries. Gearing economies.**

**UNAUDITED CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER ENDED 30TH JUNE, 2023**

(Amounts in INR Lakhs)

Particulars	Quarter ended			Year ended
	30 June 2023	31 March 2023	30 June 2022	31 March 2023
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
		Refer Note 2		
<b>1. SEGMENT REVENUE</b>				
(a) Transmission Equipment	36,074	36,646	28,496	1,31,343
(b) Material Handling Equipment	5,360	5,808	4,276	21,625
<b>Net Sales/Income from Operations</b>	<b>41,434</b>	<b>42,454</b>	<b>32,772</b>	<b>1,52,968</b>
<b>2. SEGMENT RESULTS(PROFIT)(+)/LOSS(-) BEFORE TAX &amp; INTEREST FROM EACH SEGMENT</b>				
(a) Transmission Equipment	8,861	7,825	5,529	28,841
(b) Material Handling Equipment	1,220	1,115	463	3,230
<b>Total</b>	<b>10,081</b>	<b>8,940</b>	<b>5,992</b>	<b>32,071</b>
<b>Less:</b>				
i) Finance costs	247	460	411	1,331
ii) Other unallocated corporate overheads	597	541	258	1,621
iii) Unallocable income	(210)	(470)	(37)	(865)
<b>Total Profit / (Loss) before tax</b>	<b>9,447</b>	<b>8,409</b>	<b>5,360</b>	<b>29,984</b>
<b>3. SEGMENT ASSETS</b>				
(a) Transmission Equipment	1,58,335	1,47,782	1,29,743	1,47,782
(b) Material Handling Equipment	18,634	18,975	24,543	18,975
(c) Unallocated	7,173	6,440	8,735	6,440
<b>Total</b>	<b>1,84,142</b>	<b>1,73,197</b>	<b>1,63,021</b>	<b>1,73,197</b>
<b>4. SEGMENT LIABILITIES</b>				
(a) Transmission Equipment	38,595	34,280	41,514	34,281
(b) Material Handling Equipment	6,436	6,448	6,691	6,448
(c) Unallocated	6,263	4,558	7,517	4,557
<b>Total</b>	<b>51,294</b>	<b>45,286</b>	<b>55,722</b>	<b>45,286</b>
<b>5.NET CAPITAL EMPLOYED</b>	<b>1,32,848</b>	<b>1,27,911</b>	<b>1,07,299</b>	<b>1,27,911</b>

For and on behalf of Board of Directors

 Prayasvin B. Patel  
 Chairman & Managing Director  
 DIN : 00037394

 Place : Vallabh Vidyanagar  
 Date : 11th July, 2023

Independent Auditor's 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 as amended.

To  
The Board of Directors of  
Elecon Engineering Company Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Elecon Engineering Company Limited (hereinafter referred to as the 'the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its share of the net profit after tax and total comprehensive income of its associate for the quarter ended June 30, 2023 ("The Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34, ("Ind AS 34") "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.





We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33 (8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, to the extent applicable.

4. The Statement includes the results of the entities as mentioned in the Annexure enclosed herewith.
5. Based on our review conducted and procedures performed stated in paragraph 3 above, and based on the consideration of review reports of Subsidiaries' auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

#### 6. Other Matters

- a) The Statement includes the Group's share of net profit of INR 89.16 Lakhs, total comprehensive Income of INR 89.16 Lakhs for the quarter ended June 30, 2023, respectively, as considered in the Statement, in respect of an Associate, whose financial results have not been reviewed by us. These financial results have been reviewed by other auditors whose report has been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this Associate, is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above;
- b) The Statement includes the financial information of one subsidiary which has not been reviewed by us, whose financial results reflect total revenue (before consolidated adjustments) of INR 1,258.78 lakhs, total net profit after tax (before consolidated adjustments) of INR 361.85 lakhs, total other comprehensive income (before consolidated adjustments) of INR 361.85 lakhs for the quarter ended June 30, 2023, as considered in the Unaudited Consolidated Financial Results. These financial results have been reviewed by other auditors whose report has been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this Subsidiary, is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above;




- c) The Statement includes the financial information of ten subsidiaries (including its wholly owned step-down subsidiaries) which has not been reviewed by us, whose financial results reflect total revenue (before consolidated adjustments) of INR 9,371.26 lakhs, total net profit after tax (before consolidated adjustments) of INR 964.88 lakhs, total other comprehensive income (before consolidated adjustments) of INR 614.14 lakhs for the quarter ended June 30, 2023, as considered in the Unaudited Consolidated Financial Results. These financial results have been furnished to us as certified by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these Subsidiaries, are based solely on these management certified results;
- d) The statement also includes the Group's share of net profit after tax of INR Nil and total other comprehensive income of INR Nil for the quarter ended June 30, 2023, as considered in the consolidated unaudited financial results in respect of three associates based on their financial information which have not been reviewed. According to the information and explanation given to us by the Holding Company's management these three associates are under liquidation and the interim financial information is not material to the group.

Our conclusion on the Statement is not modified in respect of the matters above.

For C N K & Associates LLP

Chartered Accountants

Firm Registration Number: 101961W / W-100036



Himanshu Kishnadwala

Partner

Membership No. 037391

UDIN: 23037391BGULXM4614

Place: Vallabh Vidyanagar

Date: July 11, 2023



## Annexure

### Details of entities included in Consolidated unaudited financial results of the Elecon Engineering Company Limited

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

\*Company is in the process of obtaining approval from Reserve Bank of India for their liquidation.



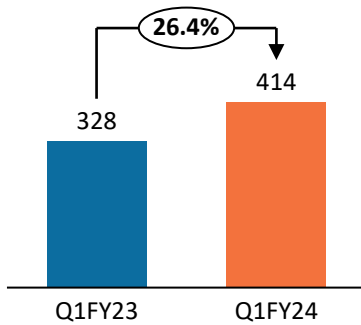
# ELECON ENGINEERING COMPANY LIMITED

## Strong Q1 FY24 Financial & Operational Performance

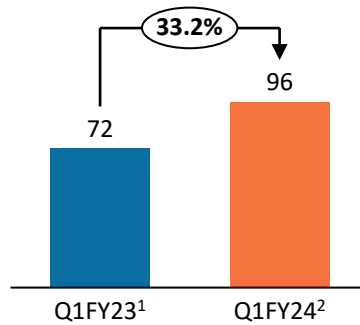
Vallabh Vidyanagar, Gujarat, 11<sup>th</sup> July 2023 – Elecon Engineering Company Limited, one of the largest solution providers of Industrial Gears in Asia along with Material Handling Equipments, announced its Unaudited Financial Results for the 1<sup>st</sup> Quarter of FY24 ended 30<sup>th</sup> June 2023

### Q1 FY24 CONSOLIDATED FINANCIAL HIGHLIGHTS

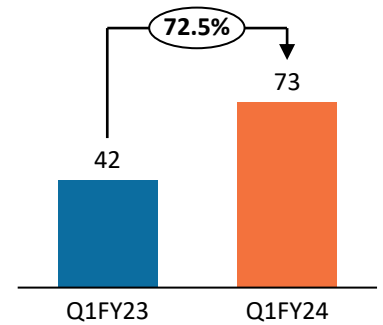
#### Revenue (Rs. Crs)



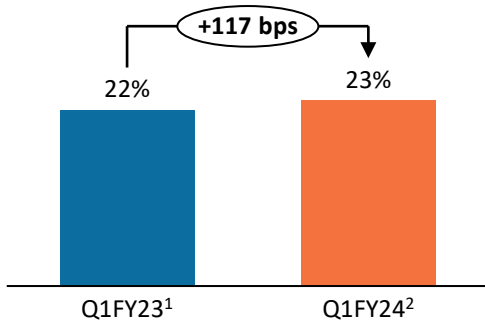
#### Adj. EBITDA\* (Rs. Crs)



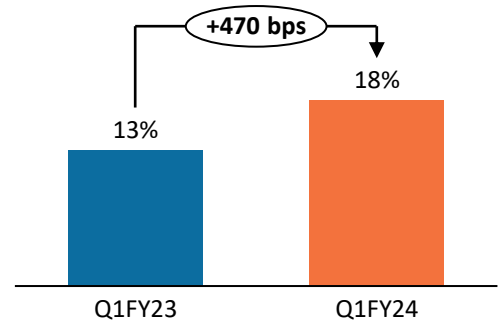
#### PAT (Rs. Crs)



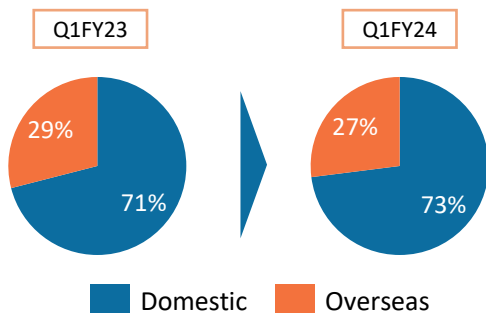
#### Adj. EBITDA Margin\*



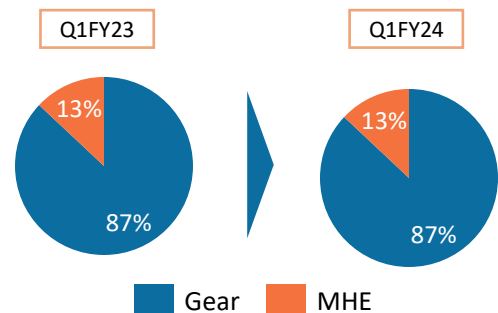
#### PAT Margin



#### Geography Wise



#### Segment Wise

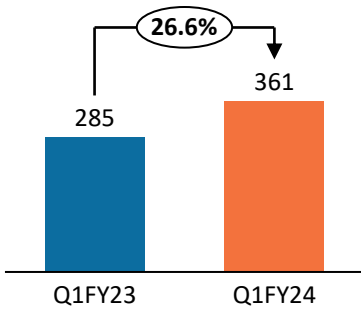


**Strong Growth Momentum Continues**

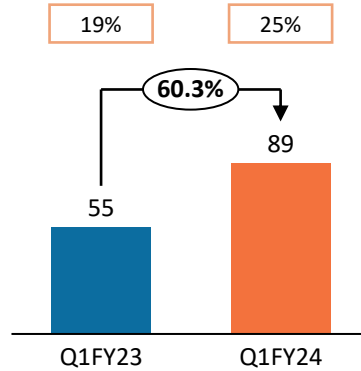
\*Adjusted EBITDA: <sup>1</sup>INR 6.95 crs in Q1FY23 expenses booked on account of payment to vendors written off in earlier period  
<sup>2</sup>Normalised for INR 4.3 crs in Q1FY24 on account of reversal of provision to uncertain GST Input Tax Credit of earlier period

## Key Consolidated Financial & Operation Highlights - Gear Division

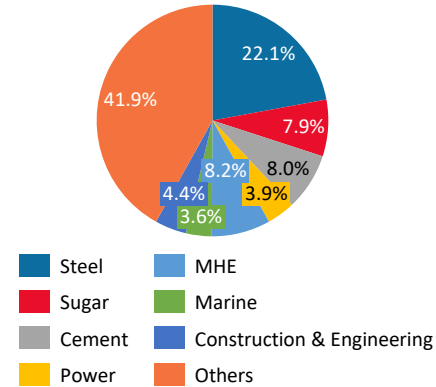
### Revenue (Rs. Crs)



### EBIT (Rs. Crs)



### Order Intake

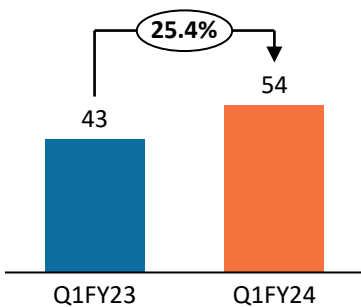


### Industrial Gear Division:

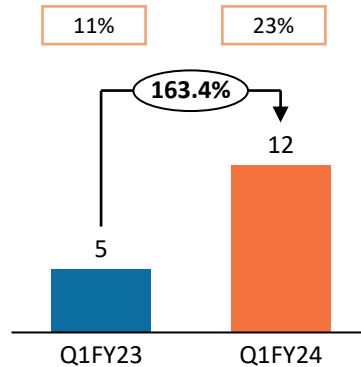
- Revenue for Q1FY24 stood at **Rs. 361 Crs** as compared to Rs. 285 Crs in Q1FY23, **up by 27% on a Y-o-Y basis**
- EBIT for Q1FY24 stood at **Rs 89 Crs** as compared to Rs 55 Crs in the corresponding quarter last year, **a growth of 60%**. EBIT Margins stood at 25% for Q1FY24, **an increase of ~520 bps Y-o-Y**
- Standalone Revenue Mix for Q1FY24:**
  - 47% - Catalogue Products
  - 53% - Engineered Products

## Key Consolidated Financial & Operation Highlights - MHE Division

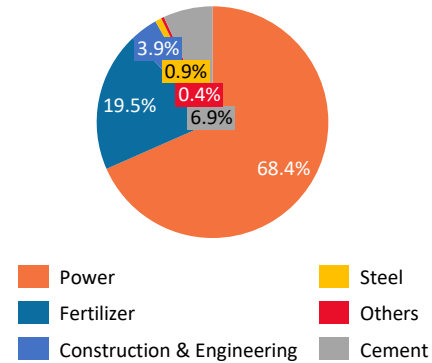
### Revenue (Rs. Crs)



### EBIT (Rs. Crs)



### Order Intake



### MHE Division

- Revenue for the quarter stood at **Rs 54 Crs** as compared to Rs 43 Crs in the corresponding quarter last year, **growing 25% YoY**
- EBIT for Q1 FY24 stood at **Rs 12 Crs** registering **a growth of 163% YoY**. The EBIT margins stood at **23%** as against 11% in Q1 FY23, **an improvement of ~1,200 bps Y-o-Y** primarily on account of better product mix & higher contribution from the aftermarket segment
- The company continues to focus on the business of supplying Products & aftermarket business for its MHE segment which has led to sharp turnaround in the profitability for this segment

## Consolidated Order Book Position

Witnessing **increased enquiries** across product categories & industries and with **strong executable order book in hand**, the company is optimistic of the growth momentum to sustain going forward

Rs Crore	Order Intake	Open Order
Segment wise Order Book	Q1 FY24	30 <sup>th</sup> June 2023
Gear Division	446	655
MHE Division	51	138
<b>Total</b>	<b>497</b>	<b>793</b>

### Order Book Details:

- **Gear Division:** The order intake during the quarter stood at **Rs 446 Crs, up by 24% on Y-o-Y basis**. Order in Hand is **Rs 655 Crs** as on 30<sup>th</sup> June 2023
- **MHE Division:** The order intake during the quarter stood at **Rs 51 Crs., up by 13% on Y-o-Y basis**. Order in Hand is **Rs 138 Crs** as on 30<sup>th</sup> June 2023
- **Total Order Book:** The order Inflow during Q1 FY24 stood at **Rs 497 Crs, up by 22% on Y-o-Y basis** and orders in hand as on 30<sup>th</sup> June 2023 stands at **Rs 793 Crs**

## Q1FY24 Highlights

- **Development on Overseas OEM Business:**
  - **Signed-off Five OEM Business in European market, having annual estimated business volume of ~Euro 5 Million.**
  - Prototype is under development and to be supplied to the OEMs by Q3FY24, commercial production expected to start from FY25
- **Arbitration awards:**
  - Arbitration award withdrawn Rs. **27.4 Crs** upto June 23 out of Rs. **63 Crs** and Rs. **4 Crs** expected to be realized by Q2FY24.
  - Fresh arbitration proceedings initiated having the value of Rs. **31 Crs** during Q1FY24, optimistic of favorable outcomes
- Outstanding Retention as on 30<sup>th</sup> June 2023 stands at **Rs 52 Crs**
- Capex for Q1FY24 stood at **Rs 20 Crs**
- **Improvement in Credit Ratings:** LT - [ICRA] AA- (Stable); ST: [ICRA] A1+ in June-23 (Previous Credit Ratings: LT- [ICRA] A+ (Stable); ST: [ICRA] A1)
- **Net cash positive** as on 30<sup>th</sup> June 2023
- Company maintains its revenue guidance of **~Rs. 2,000 Crs by FY24 with an EBIDTA margin of ~22%**
  - Rs. 1,700 Crs for Gear Division
  - Rs. 300 Crs for MHE Division
- Considering opportunities in various parts of the African Continent, company has decided to set up a step-down Wholly Owned Subsidiary (WOS) in South Africa with Assembly and After Sales Service facility



Commenting on the results, **Shri Prayasvin B. Patel, Chairman & Managing Director of Elecon Engineering Co. Ltd.** Said,

*“The capex cycle is on a growth trajectory driven by favorable government policies and schemes aimed at supporting infrastructure development. At Elecon, we specialize in providing industry-agnostic gear solutions, which positions us well to capitalize on this upward trend.*

*In the Q1 FY24, our consolidated revenues stood at **Rs 414 Crs, reflecting a growth of 26% Y-o-Y.** Our PAT for the quarter stood at **Rs. 73 Crs, up by 72% on Y-o-Y basis.** This outstanding performance is a testimony of our deliberate efforts to develop high-quality products while consistently delivering unbeatable service levels, resulting in new order wins.*

*Elecon maintains its position as the market leader in the Industrial gear Division, with an unparalleled product portfolio. Revenues from the gear division witnessed **a year-on-year growth of 27%.** Additionally, through the cognitive ability and adaptive mindset of our management, we have successfully revitalized the MHE Division, making it profitable once again. We continue to focus on supply of Products & after market business in our MHE business, this segment delivered an **EBIT Margin of 23%,** significant improvement of **~1,200 bps** compared to same quarter last year. We are fully committed to its continued growth.*

*We continue to invest in R&D and Product Development to deliver globally competitive products. The Service levels and lower lead times have enabled us to create a brand for **‘Elecon’** across markets. We envisage to expand our market share by further penetrating into existing geographies and exploring new territories. We continue to make strides to grow our overseas business and the recent development with respect to signing five OEM business in the European market is a positive indicator of our progress.*

*With strong order book in hand across segments, continued focus to penetrate the exports markets and maintaining our leadership position in the domestic geography, we are optimistic of sustaining the growth momentum going forward.”*



### **About Elecon Engineering Company Limited:**

Elecon Engineering company Limited (ELECON) was established in 1951 and is one of the largest manufacturers of Industrial Gears and Material Handling Equipment with seven decades of experience and expertise in Asia. The company has been able to establish its position as one of Asia's largest and India's Largest Industrial Gear Manufacturing Company, having manufacturing facility spread over 3,35,000 Square Meter. The company has a strong global presence serving 75+ countries through a network of distributors, dealers and customer representatives. The product solutions include designing, manufacturing, supply, erection and commissioning of the products and are majorly used in Cement, Sugar, Defense, Steel, Mining and Power sector along with other sectors

### **Safe Harbor**

This document may contain forward-looking statements about Elecon Engineering Company Limited and its Subsidiaries, which are based on the beliefs, opinions, and expectations of the company's management as the date of this Investor release and the companies do not assume any obligation to update their forward-looking statements if those beliefs, opinions, expectations, or other circumstances should change. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. Consequently, readers should not place any undue reliance on such forward-looking statements.

**For more information, please contact**



### **Company : ELCON ENGINEERING COMPANY LIMITED**

CIN: L29100GJ1960PLC001082

Narasimhan Raghunathan – CFO

Email: [narasimhanr@elecon.com](mailto:narasimhanr@elecon.com)

For updates and specific queries, please visit [www.elecon.com](http://www.elecon.com)

### **SGA** Strategic Growth Advisors

### **Investor Relations : Strategic Growth Advisors**

CIN: U74140MH2010PTC204285

[www.sgapl.net](http://www.sgapl.net)

Mr. Sagar Shroff – [sagar.shroff@sgapl.net](mailto:sagar.shroff@sgapl.net) / +91 98205 19303

Ms. Prachi Chhugani – [prachi.c@sgapl.net](mailto:prachi.c@sgapl.net) / +91 89492 92029