



3rd November, 2022

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 : Investor Presentation of the Investor Call to be held on 4th November, 2022
Ref : Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

With reference to the above referred Regulation and in continuation of our letter dated 1st November, 2022 regarding schedule of Investor Call, please find attached herewith the Investor Presentation for Q2 for the Financial Year 2022-23. The same is also available on the website of the Company at <https://www.elecon.com/investors/presentations-made-to-analysts-or-institutional-investors>.

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.



ELECON ENGINEERING

Investor Presentation | Q2 & H1 FY23





Safe Harbor



Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue", and similar expressions of such expressions may constitute "forward-looking statements", These forward looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.



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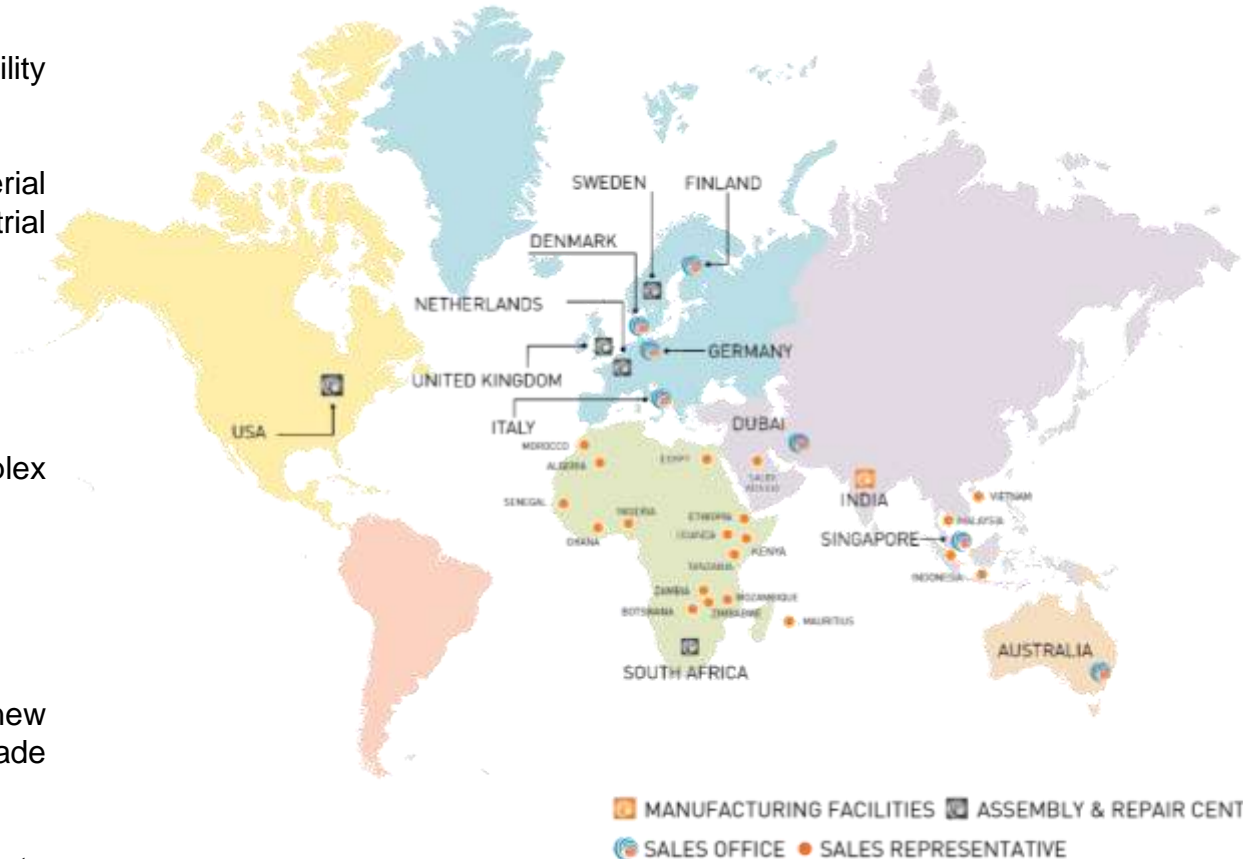
Company Overview



About 'ELECON'



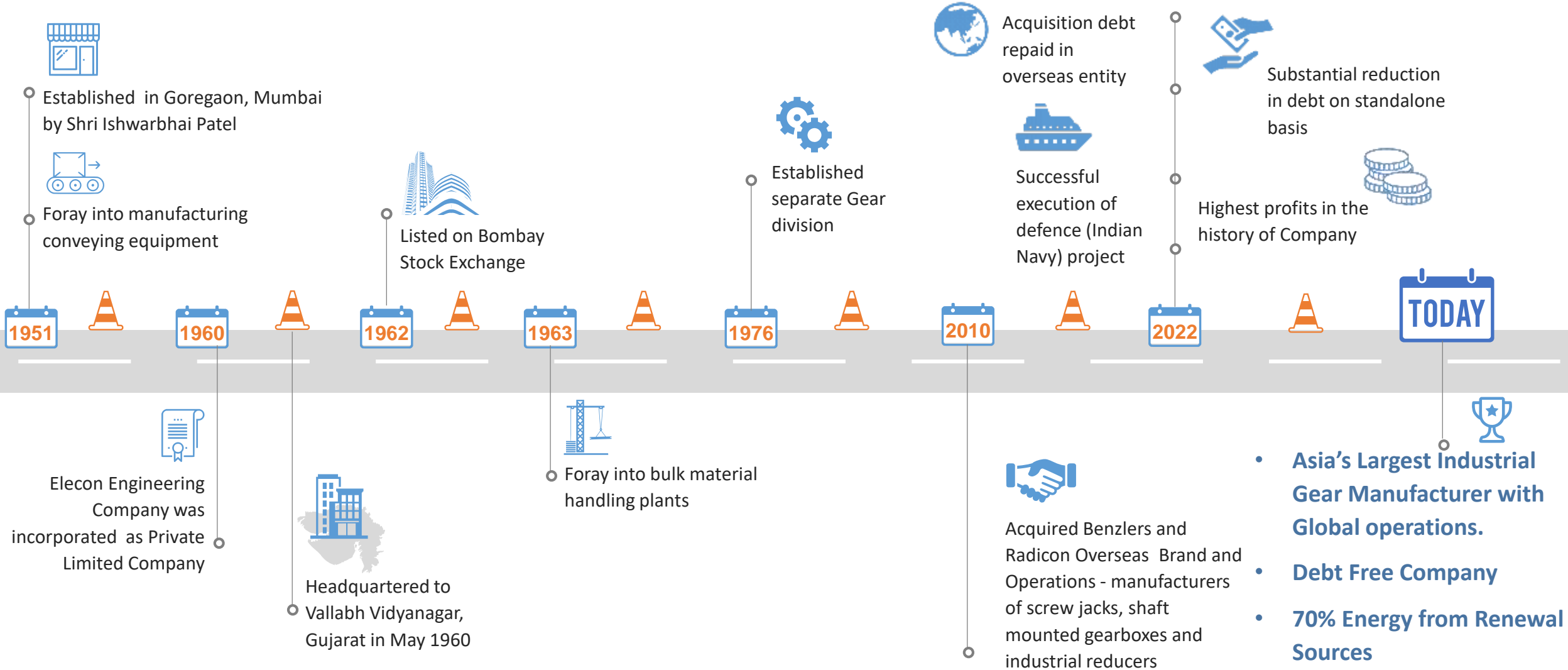
Footprint on Global Map



- 1 ISO 9001:2015; 14001:2015; OHSAS 18001:2007 Company.
- 2 Asia's largest Industrial Gear Manufacturing having facility spread over 335,000 Square Meter.
- 3 First in India to manufacture sophisticated equipment for bulk Material Handling and a product range that caters to almost every industrial sector in India.
- 4 Widest range of gear applications across Industrial Sectors.
- 5 Only Company in India having capability to manufacture complex Gear box for Defence - Indian Navy.
- 6 Average service period of an employee is 10+ Years.
- 7 State of art, duly recognized and approved R&D facility for new product development and separate Engineering facility to upgrade existing product.
- 8 Consistent Dividend Paying Company (except in FY20 due to COVID19 Pandemic).



Milestones





Key Segments & Products



Power Transmission



Helical/Bevel Helical Gearboxes



Worm Gearboxes



Couplings



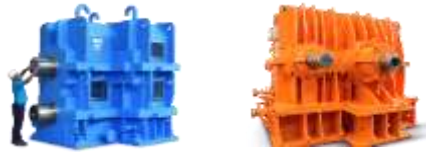
Planetary Gearboxes



Wind Turbine Gearboxes



Marine Gearboxes



Custom Built Gearboxes



High Speed Gearboxes



Planet Carrier



Gear Wheel



Loose Gears

Material Handling Equipment



Feeders



Crushers



Stackers/Reclaimers



Raw Material Handling System



Wagon Tippler & Associated Equipment



Specialized Conveyors



Port Equipment



Idlers/Pulleys



Cable Reeling Drum



Magnet/Weighers/Metal Detectors





Recognition in H1FY23





Proud to power India's 1st Indigenous Gear Box



Congratulations to Indian Navy and Cochin Shipyard on commissioning of INS Vikrant when India celebrates 75 Years of **“AZADI KA AMRIT MAHOTSAV”**.

Proud to power India's 1st Indigenously-built Aircraft Carrier – INS Vikrant by delivering customised COGAG (Combined Gas Turbine and Gas Turbine) type gearboxes with total power of 44,000 Kw to its shaft.

Elecon is proud to be the Leader in this segment of customized and complex Gear Manufacturers for Defence-Indian Navy in India.



Latest Milestone In Defence Supply

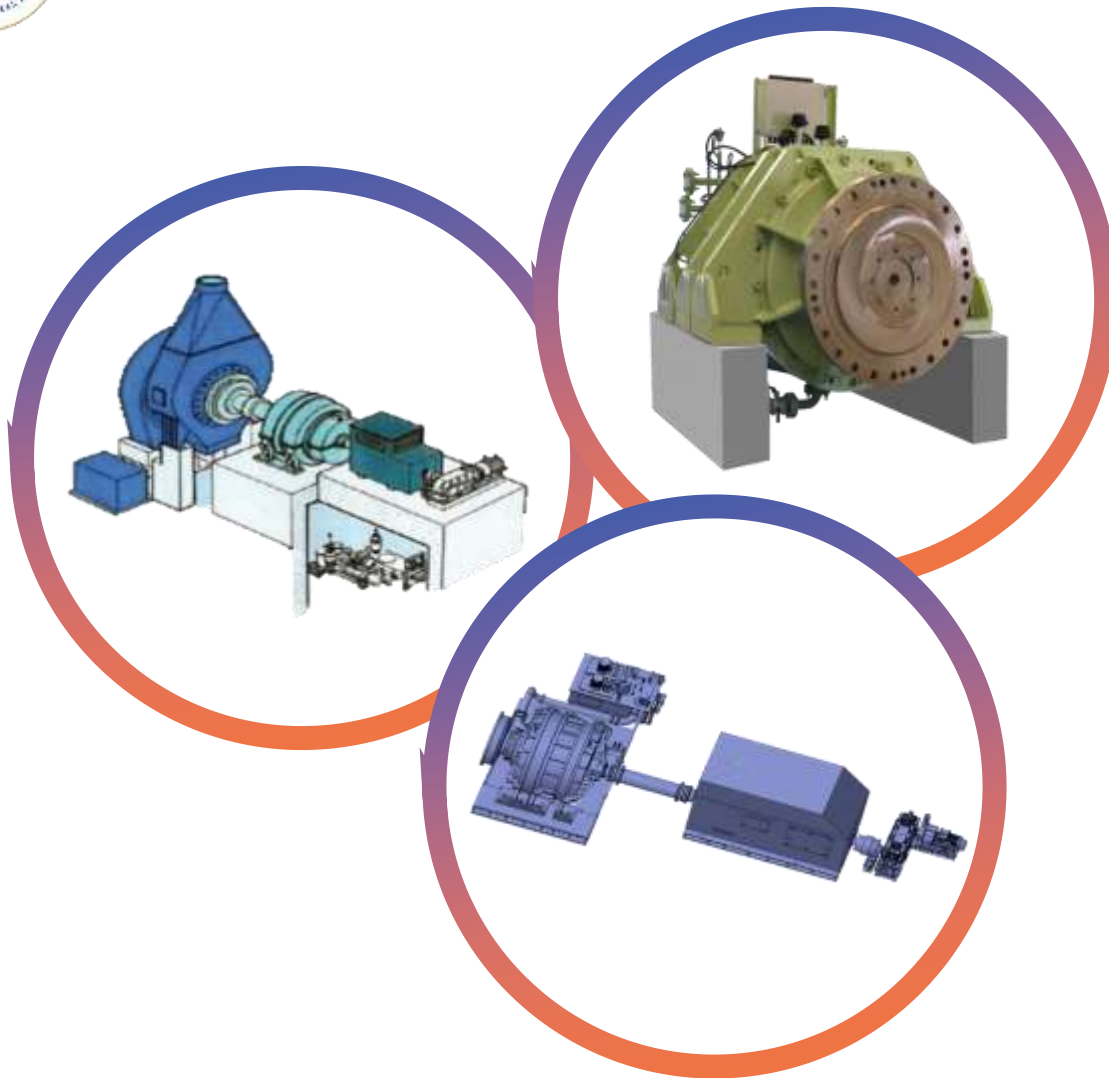


ELECON has successfully delivered 14 nos. **CODOG** (Combined Diesel or Gas turbine) type gearboxes stealth frigates of Indian Navy in record delivery time even under challenging period of COVID19 Pandemic.

Each gearbox is designed to transmit power from a Gas Turbine (GT) or a Diesel Engine (DE) to its respective shaft.



New Product Development – Planetary Gearbox



Power 3,200 KW and above

Output rated torque : 2000 KNm and above

Ratio range : 30:1

Key Features of this new developed Product:

- Import substitution for customers
- Latest technology
- Power consumption & noise reduction by improving torque



Design and Engineering Capability for customised Gearbox



Elecon is manufacturing assembly and completed no load testing of one of the Biggest “VERTICAL ROLLER MILL DRIVE” for India’s leading cement manufacturer.

ELECON has Successfully manufactured and supplied “Vertical Roller Mill Gearbox”.





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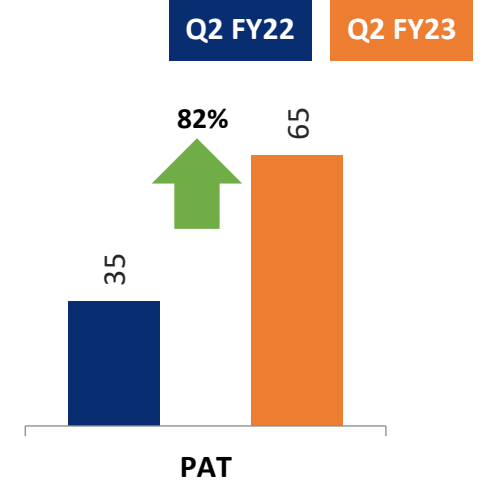
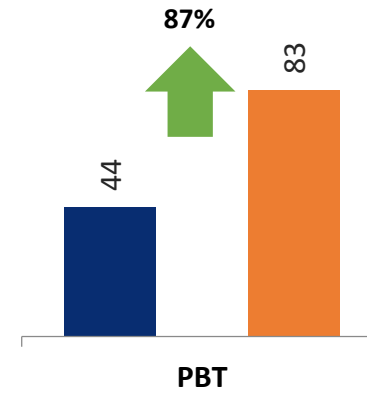
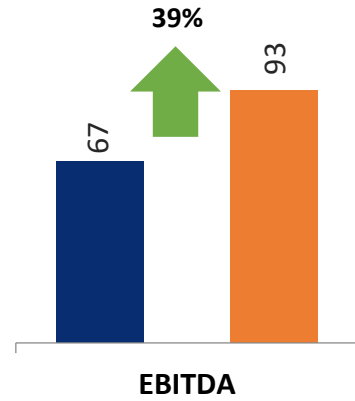
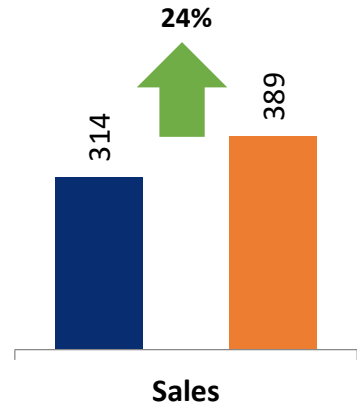
Financial Performance – Q2 & H1 FY23



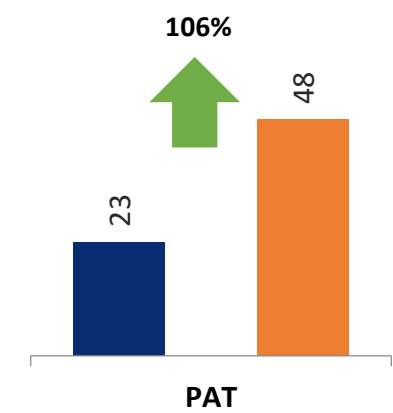
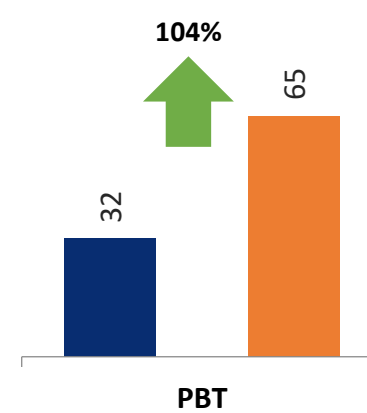
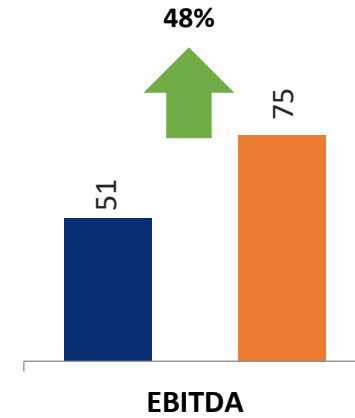
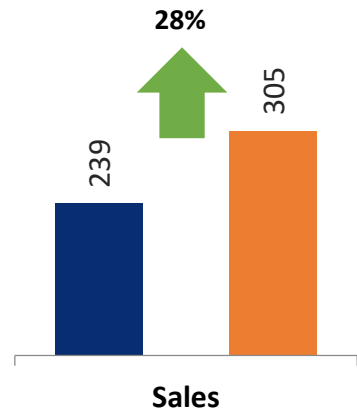
Financial Performance Q2FY23



Consolidated In Rs. Cr



Standalone In Rs. Cr





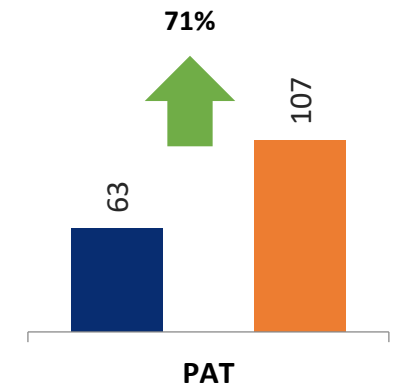
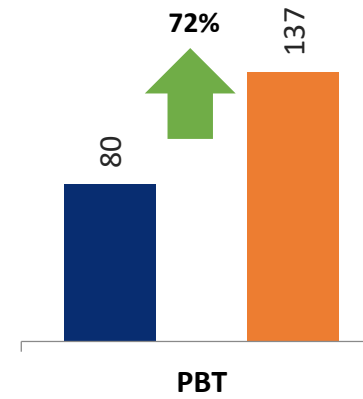
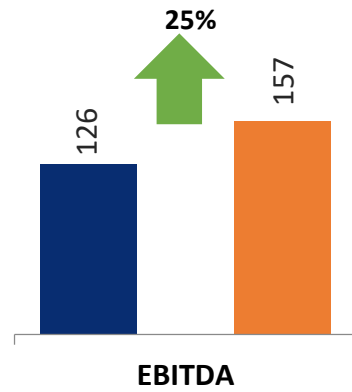
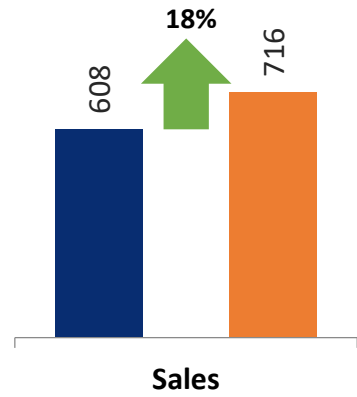
Financial Performance H1FY23



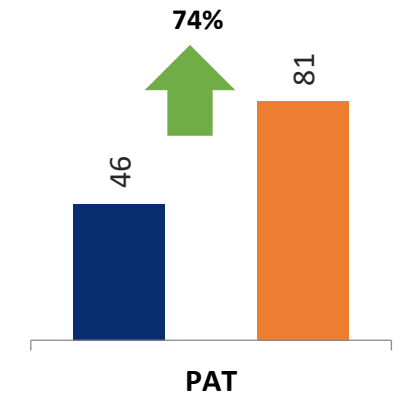
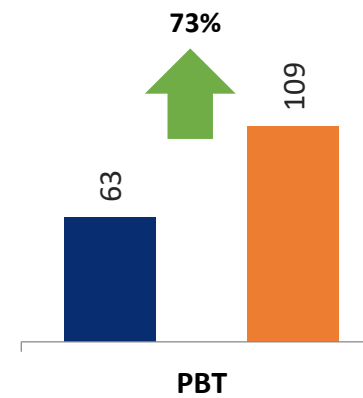
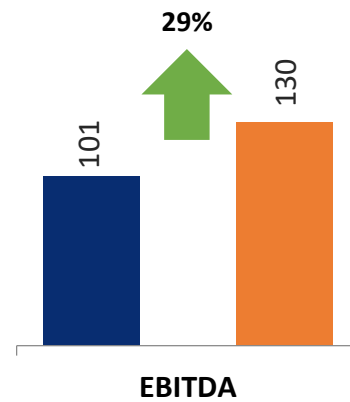
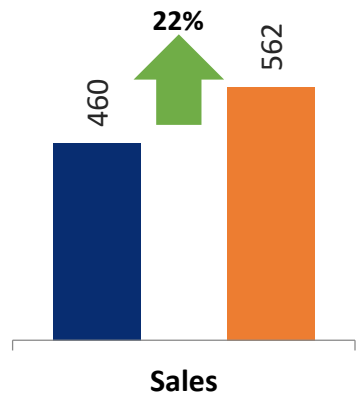
Consolidated In Rs. Cr

H1 FY22

H1 FY23



Standalone In Rs. Cr





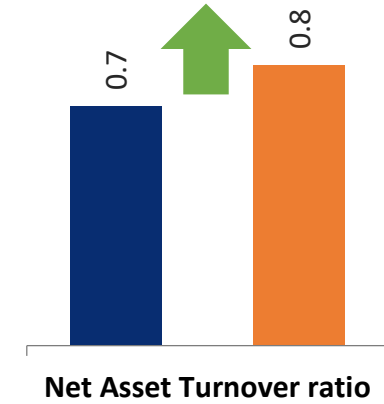
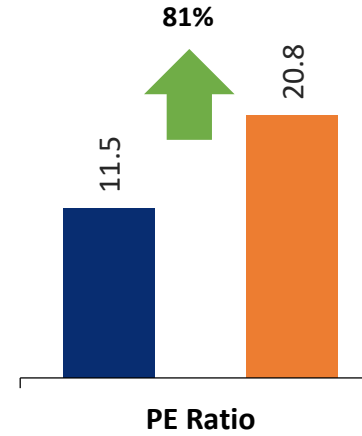
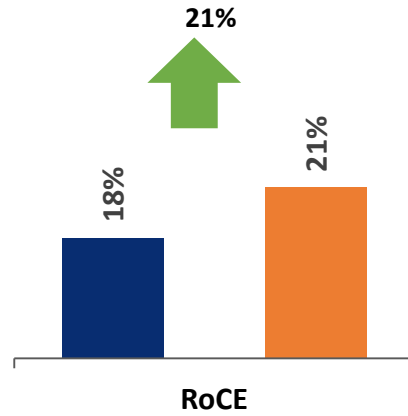
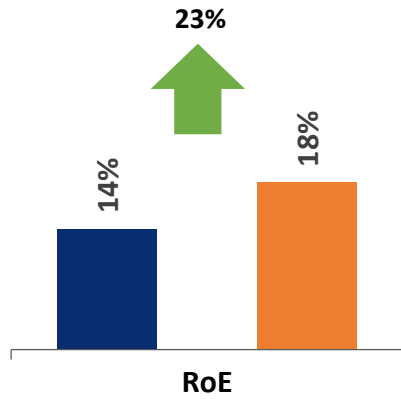
Key Ratios Analysis



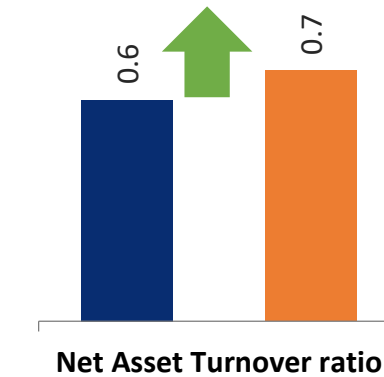
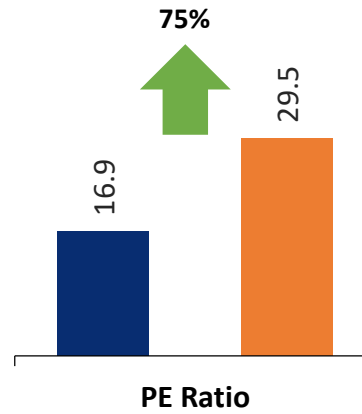
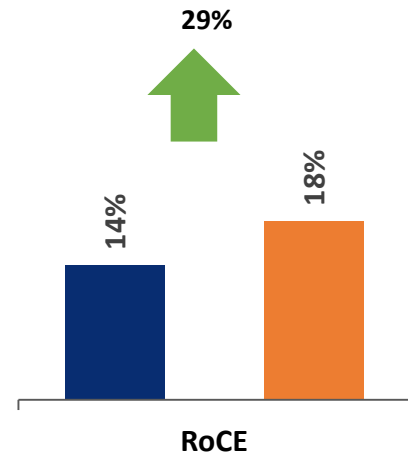
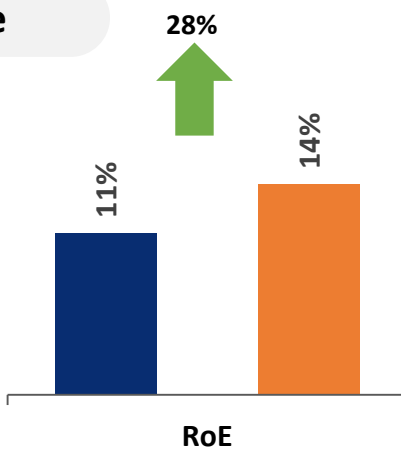
Consolidated

FY22

H1 FY23



Standalone



Note: H1 FY23 Ratios are Annualised.



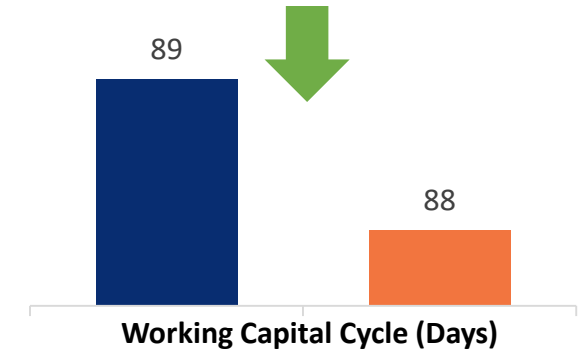
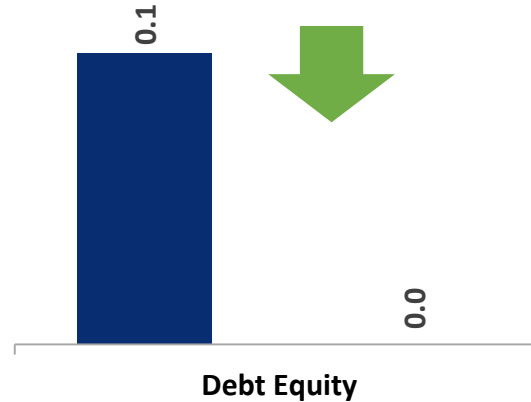
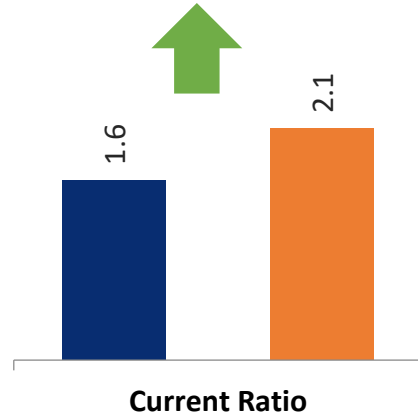
Key Ratios Analysis



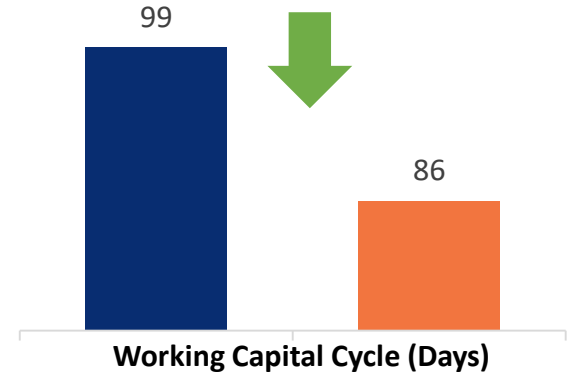
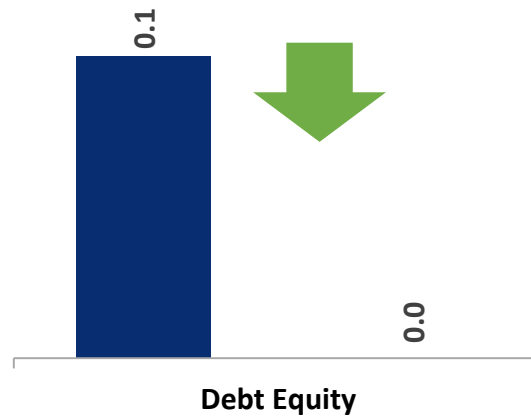
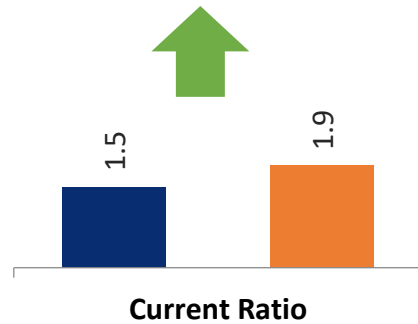
FY22

H1 FY23

Consolidated



Standalone



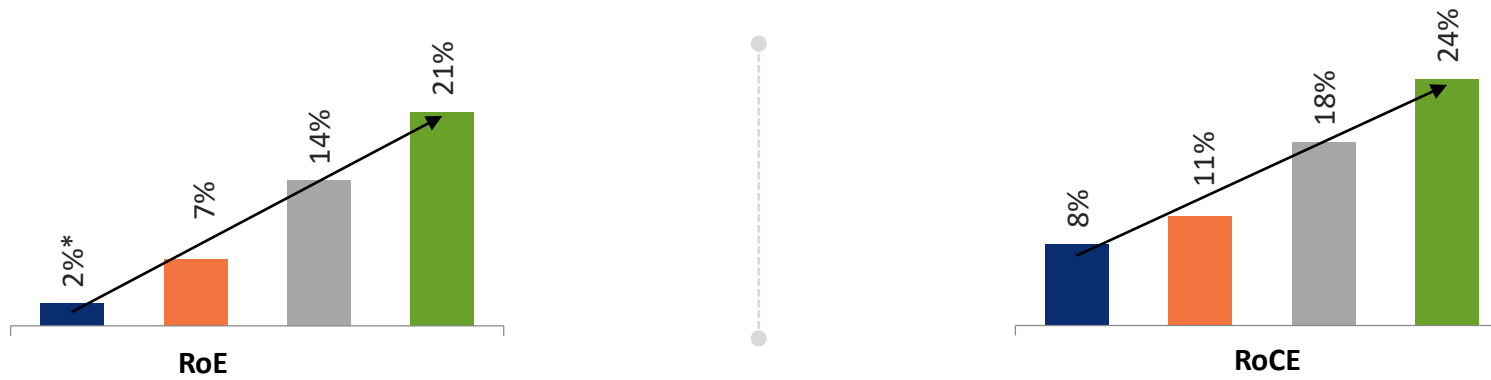
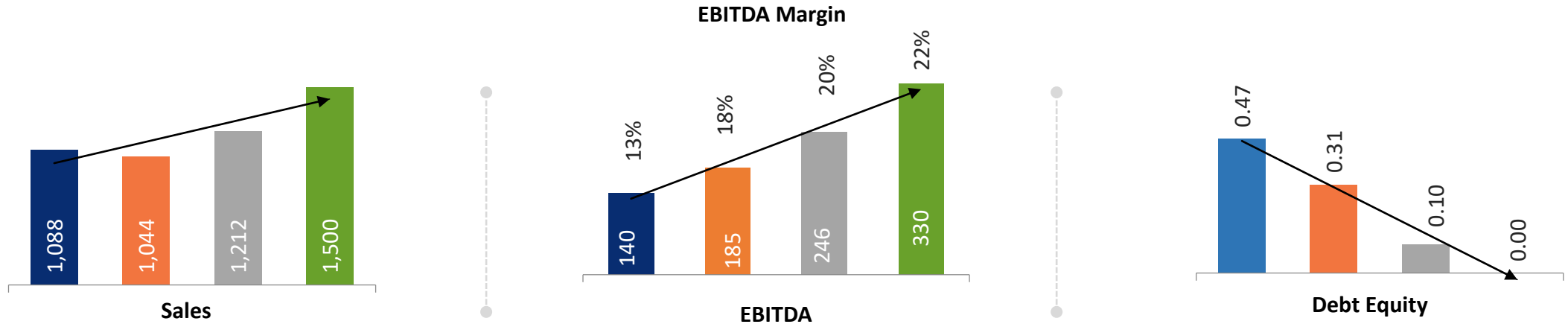


Financial Track Record



Consolidated In Rs. Cr

FY20 FY21 FY22 FY23 Guidance



* Excluding exceptional Tax reversal / credit effect.

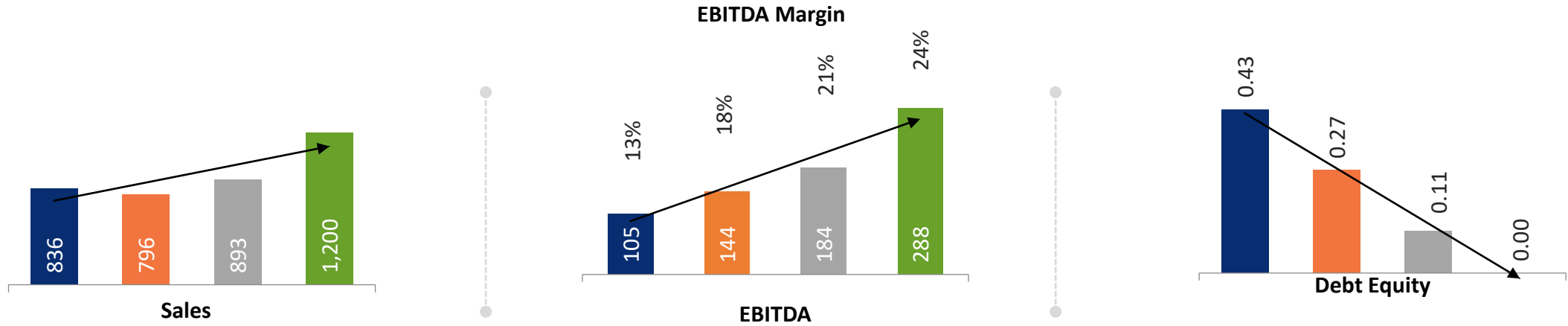


Financial Track Record



Standalone In Rs. Cr

FY20 FY21 FY22 FY23 Guidance



* Excluding exceptional Tax reversal / credit effect.



Key Highlights



Standalone Operations:

External Credit Ratings: Long term: [ICRA] A+ (Stable) ; Short term: [ICRA]A1

Outstanding Retention: Rs.68 Crs as at 30th Sep 2022

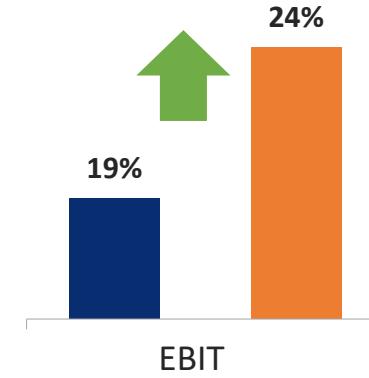
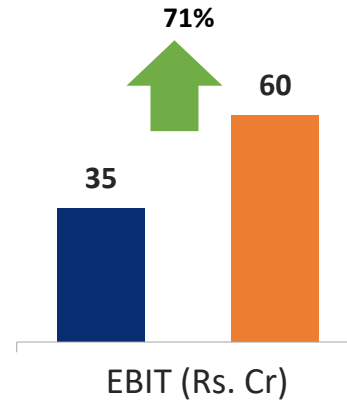
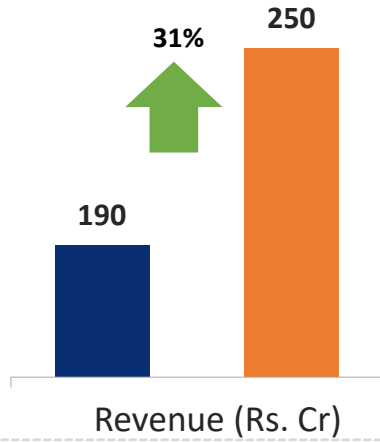
There are favourable developments in some cases of Arbitration awards of Rs. 60+ Crs during Q2FY23



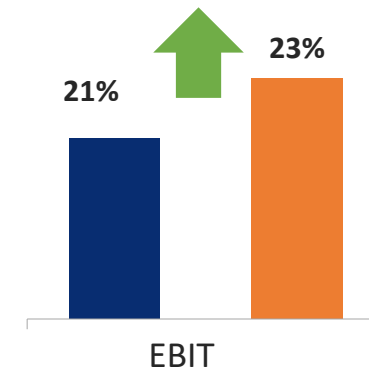
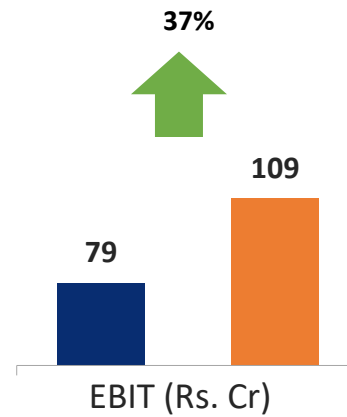
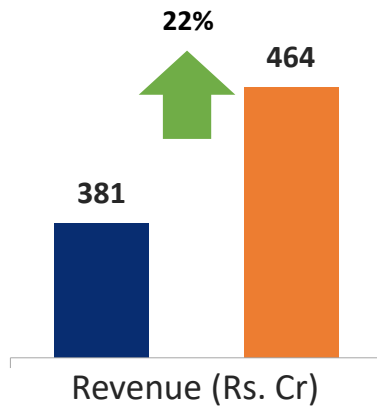
Segment Analysis - Gear



Q2 FY22 Q2 FY23

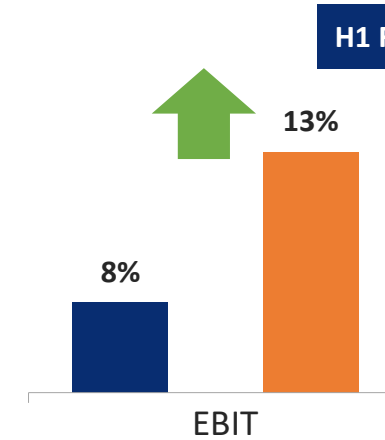
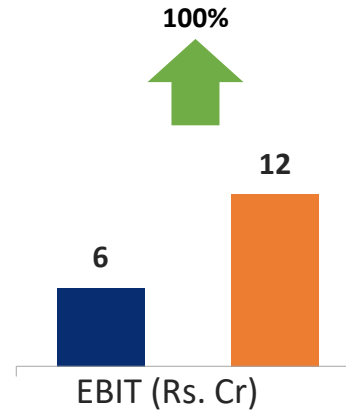
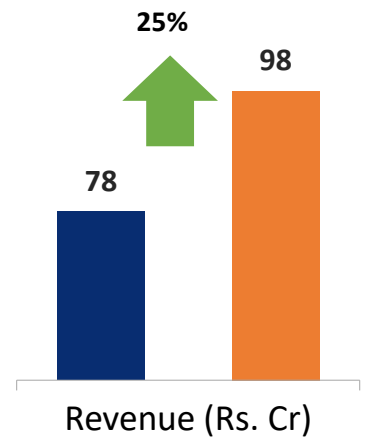
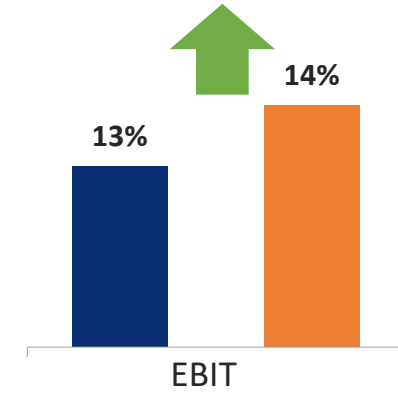
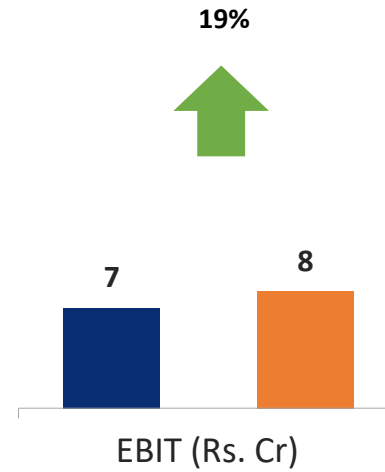
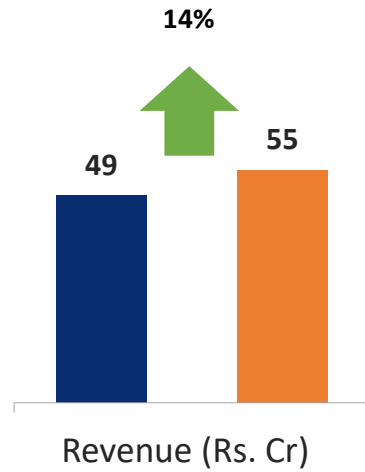


H1 FY22 H1 FY23





Segment Analysis – MHE





Consolidated Order-Book



	Order Intake	In Rs. Cr	Open Order
	H1 FY23		As at Sep 30, 22
GEAR	744		602
MHE	94		112
TOTAL	838		714

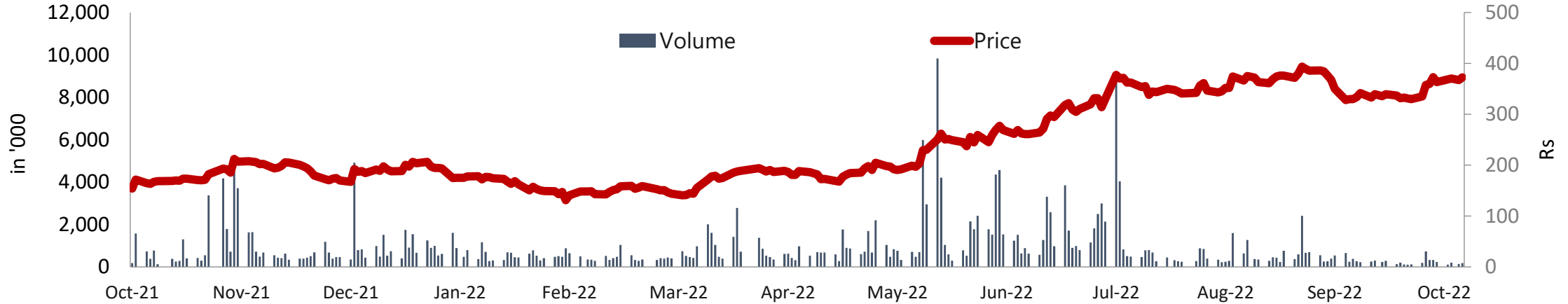


ELECON ENGINEERING

Outlook



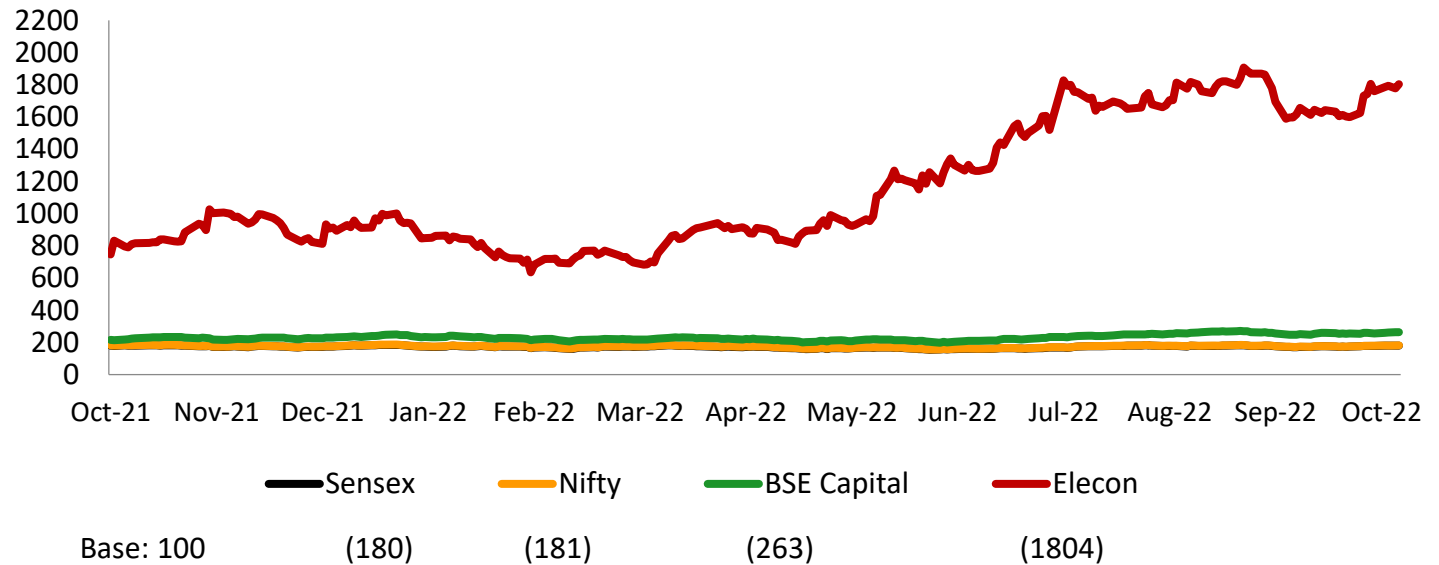
Share Price Performance – 1 Year



Relative Performance

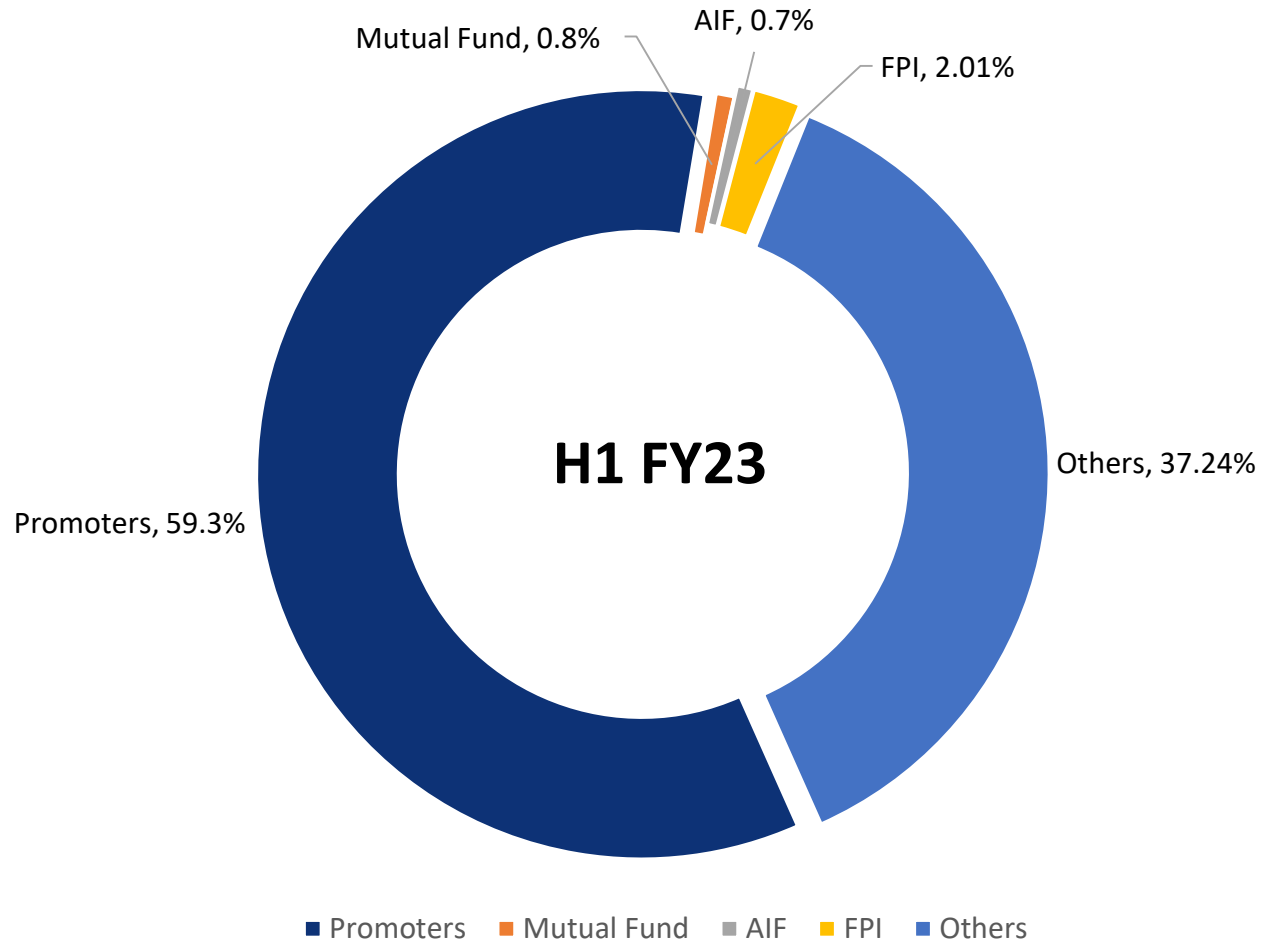
	BSE Sensex	NSE Nifty	BSE CG	Elecon
1 Week	1.1%	1.2%	3.2%	2.6%
1 Month	5.9%	5.5%	6.8%	12.9%
3 Month	5.5%	5.1%	11.2%	2.8%
1 Year	0.0%	-0.4%	21.9%	142.0%

Source : NSE, BSE





Investor Information

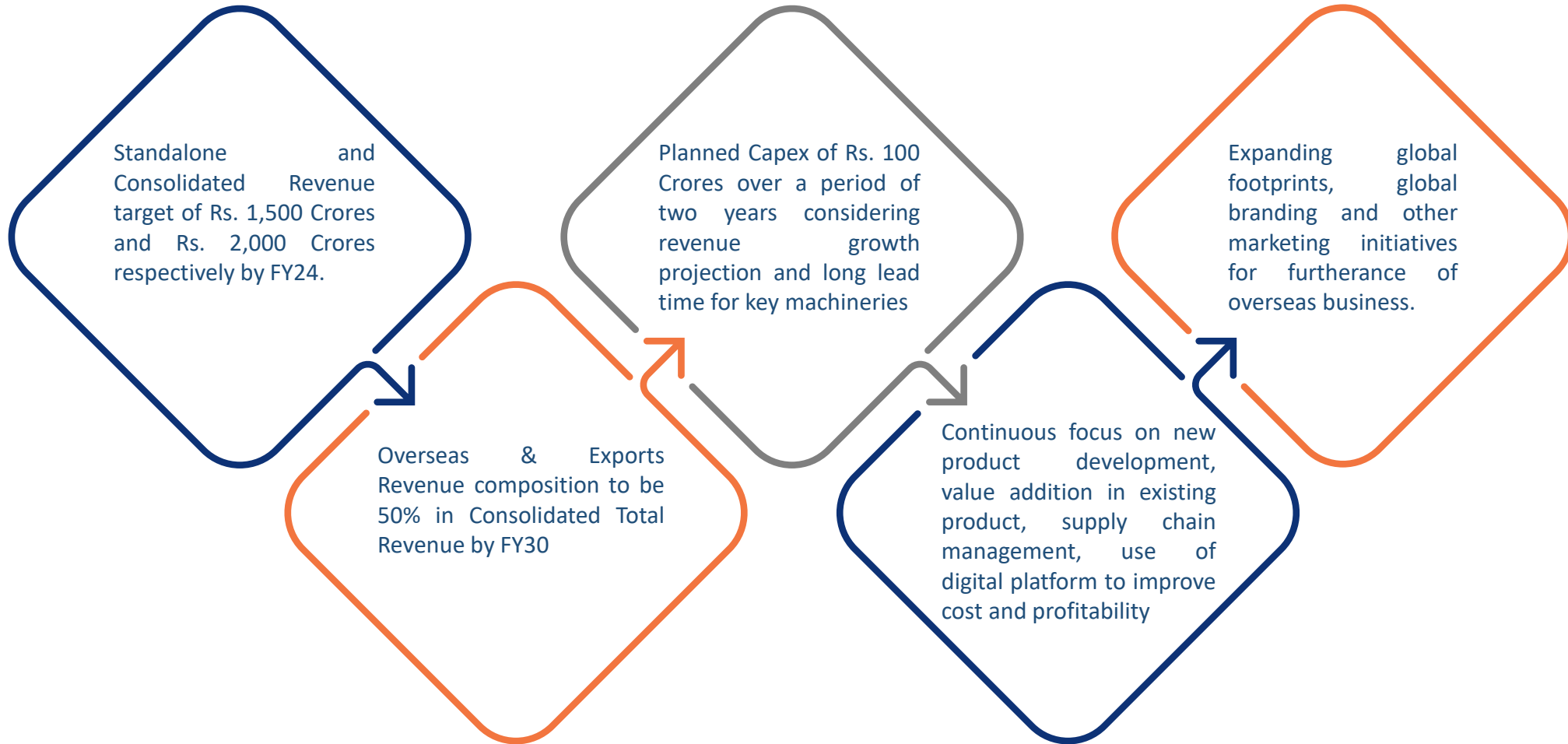


Stock Information (as on Sept 30, 2022)

BSE / NSE Scrip Code	505700 / ELECON
Shares Outstanding (Cr)	11.2
Market Cap (₹ Cr)	3,836
Industry	Industrial Equipment



Guidance & Initiatives





Economy Outlook



The Indian Engineering Industry

- ✔ The Indian Engineering sector is well poised to return to its growth path supported by favourable government policies and revival in economic growth
- ✔ Investment in sectors like power, steel, mining, infrastructure, oil & gas, etc., have been driving growth in the engineering industry
- ✔ Both Gears and MHE segments are expected to gain from robust demand from mining, steel, power and other infrastructure industries.

Economy

- ✔ IMF has cut India's FY23 GDP forecast by 60 basis points to 6.8% on the back of high inflation, rising interest rate and subdued external demand against a backdrop of ongoing war between Russia-Ukraine
- ✔ Sizable investments in infrastructure sector and core industries is likely to revive growth engine and boost demand in the long run.



Budget -

Government Initiatives

- ✔ Proposed increase in the outlay for capital expenditure by 35.4% from ₹5.54 lakh crore in the current year to ₹7.5 lakh crore in 2022-23 augurs well for the engineering industry
- ✔ The government announced Rs 1.45 trillion worth of Production Linked Incentive (PLI) scheme in manufacturing industry with an aim to make it globally competitive





Multiple Growth Drivers



Scale

Elecon is the largest manufacturer of gears in Asia, ~**36%** share of Organised Market in India



Scope

Encompasses both catalogue and engineered products for all the core industries



Size

Its MHE business has the capacity to address cross industry solutions



Skills

Over 7 decades of industry experience with best of the infrastructure



Synergy

Backward and forward integration of products and services established



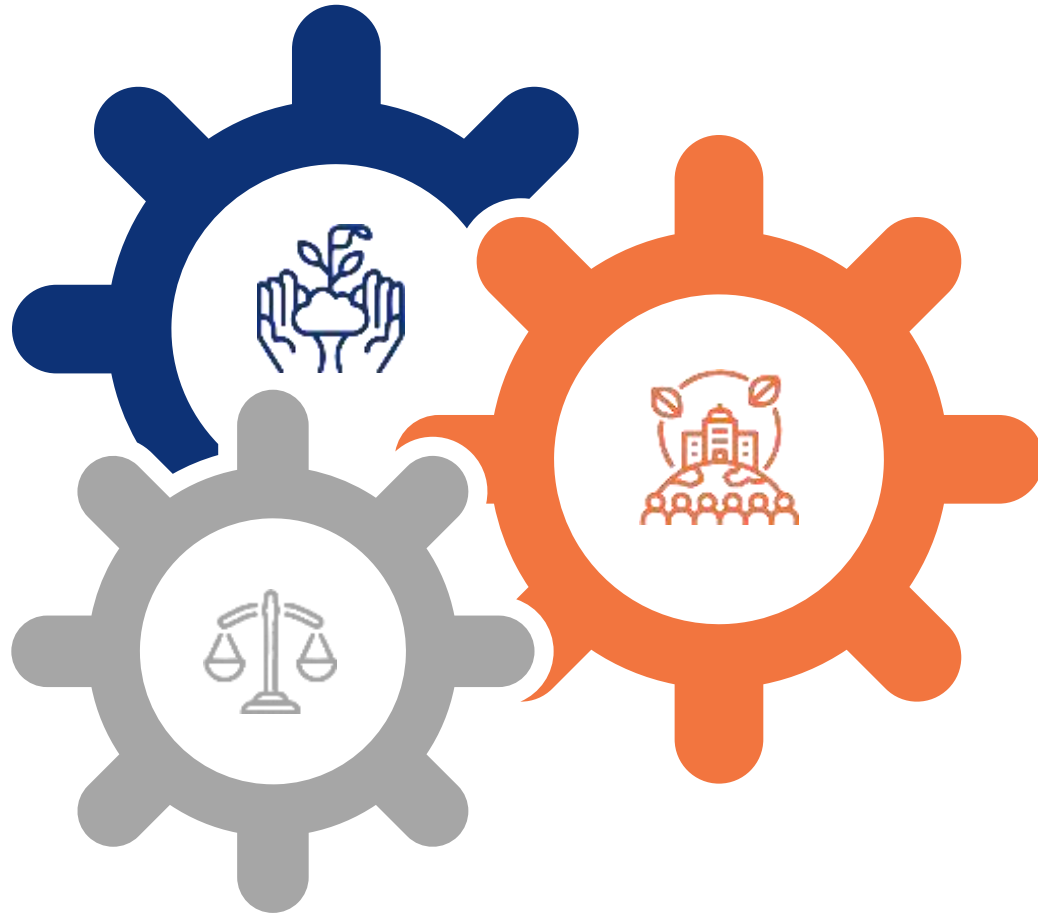
Sustainability

A sustainable business model with robust outlook based on economic growth and scale





ESG Vision



Environment Vision

- Renewable Energy Installed
 - Solar Power – 3 MW
 - Wind Power - 14 MW
- 2 MW Solar Power Project under progress
- 60% Green Campus cover at plant facility

Social Vision

- Creating a gender-diverse workforce.
- Health activities for community
- Health & Safety awareness programs in near by villages
- Blood Donation Camp
- Food Distribution for needy
- Promoting Sports
- Leadership Development program under “Gurukul” Project

Governance Vision

- Business Partner meet
- Regional Dealer meet
- Sustainable supply chains



Commitment towards Environment, Safety & Health



**70% Energy from
Renewal Sources**



60% Green Campus Facility



Safety First



Health & Medical





Social Engagement



Education



Support to Weaker Section of Society





Commitment to Empowerment



Women Empowerment



Partner Meet- Vendor



Sports





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<https://tinyurl.com/Elecon70>



References and Definitions



- Earning Before Interest, tax, depreciation and amortization (EBITDA) is calculated as Profit Before Tax+ Depreciation + Finance Cost- Other Income.
- Earning Before Interest and Tax (EBIT) is calculated as profit Before Tax+ Finance Cost
- Return on Equity is calculated as Profit After Tax divided by Average Shareholders Equity.
- Return on Capital Employed is calculated as EBIT divided by Capital Employed whereby Capital Employed represents Total Equity + Borrowings + Deferred Tax liabilities
- Price Earning Ratio is calculated as Market Price per share divided by Earning per share whereby Earning per share is calculated using net profit attributable to equity holders i.e. Profit After Tax