

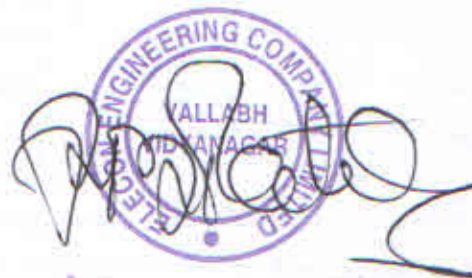
STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31-12-2016

Sr. No.	PARTICULARS	(Rs. in Lakhs)			
		Three Months Ended		Nine Months Ended	
		31-12-2016 (Unaudited)	30-09-2016 (Unaudited)	31-12-2016 (Unaudited)	31-12-2016 (Unaudited)
1	Income from operations				
	(a) Income from operations	23,587.87	19,726.89	26,689.40	61,913.14
	(b) Other operating income	141.66	284.48	278.44	666.98
	Total Income from Operations	23,729.53	20,011.37	26,967.84	62,580.12
2	Expenses				
	(a) Cost of materials consumed	9,464.28	7,433.18	13,849.87	23,435.59
	(b) Purchase of stock-in-trade	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,039.11	(618.14)	(1,985.82)	(64.23)
	(d) Manufacturing expenses and erection charges	4,049.21	4,168.05	5,624.44	10,777.26
	(e) Excise duty	1,780.77	1,614.57	1,727.88	4,874.61
	(f) Employee benefits expense	2,092.58	2,056.80	2,052.50	6,309.86
	(g) Depreciation and amortisation expense	1,246.86	1,250.31	1,403.22	3,739.43
	(h) Other expenses	3,645.68	3,544.89	3,939.34	10,343.07
	Total Expenses	23,298.49	19,449.66	26,611.63	59,415.69
	Profit from Operations before other income, finance costs and Exceptional Items (1-2)	431.04	561.71	356.31	3,164.53
3	Other income (Refer note no 10)	141.26	328.30	2,604.91	642.70
	Profit from ordinary activities before finance costs and Exceptional Items (3+4)	572.30	890.01	2,961.22	3,807.23
5	Finance costs	1,529.30	1,555.70	1,041.12	4,826.79
	(Loss)/Profit from ordinary activities after finance costs but before exceptional items (5-6)	(957.00)	(665.69)	1,320.10	(1,019.56)
7	Exceptional items	-	-	-	-
9	(Loss)/Profit before Tax (7+8)	(957.00)	(665.69)	1,320.10	(1,019.56)
10	Tax expenses / (credit)	(206.09)	(383.10)	483.48	(216.24)
11	Net (Loss)/Profit for the period after Tax (9-10)	(750.91)	(302.59)	836.62	(803.32)
12	Other Comprehensive Income/(Expenses) (after tax)	(8.79)	(5.03)	(7.25)	(21.84)
13	Total Comprehensive Income/(Expenses) for the Period (11+12)	(759.70)	(307.62)	829.37	(777.34)
14	Paid-up equity share capital (Face Value of the share Rs. 2/-)	2,244.00	2,178.72	2,178.72	2,244.00
15	Earnings per share (of Rs. 2/- each) (not annualised)				
	(a) Basic	(0.67)	(0.27)	0.75	(0.72)
	(b) Diluted	(0.67)	(0.27)	0.75	(0.72)

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 8 February 2017.
- The statutory auditors of the Company have carried out Limited Review as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the related report is being submitted to the concerned stock exchanges.
- The standalone financial results of the Company have been prepared in accordance with Indian Accounting Standards ("IND AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Company adopted IND AS w.e.f. 1 April 2016, (with a transition date of 1 April 2015) and accordingly, these standalone financial results (including for previous comparative periods presented) have been prepared in accordance with the recognition and measurement principles of IND AS 34 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act 2013 read with the relevant rules issued there under and other accounting principles generally accepted in India.




Cranes



Rubber Industry



Marine Industry



Plastic Industry



Power Industry



Steel Industry



Sugar Industry



Mining



Cement Industry

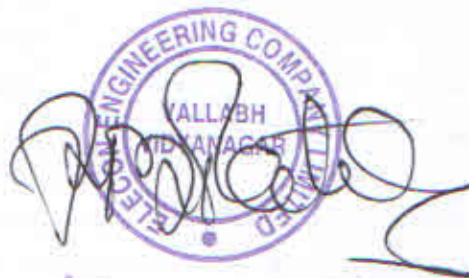
Gearing industries. Gearing economies.

STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31-12-2016

Sr. No.	PARTICULARS	(Rs. in Lakhs)			
		Three Months Ended		Nine Months Ended	
		31-12-2016 (Unaudited)	30-09-2016 (Unaudited)	31-12-2016 (Unaudited)	31-12-2016 (Unaudited)
1	Income from operations				
	(a) Income from operations	23,587.87	19,725.89	26,589.40	81,913.14
	(b) Other operating income	141.66	284.48	278.44	666.96
	Total Income from Operations	23,729.53	20,011.37	26,867.84	82,580.12
2	Expenses				
	(a) Cost of materials consumed	9,464.28	7,433.18	13,849.87	23,435.59
	(b) Purchase of stock-in-trade	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,039.11	(618.14)	(1,985.82)	(54.23)
	(d) Manufacturing expenses and erection charges	4,049.21	4,168.05	5,624.44	10,777.26
	(e) Excise duty	1,780.77	1,614.57	1,727.88	4,874.61
	(f) Employee benefits expense	2,092.58	2,056.80	2,052.50	5,309.66
	(g) Depreciation and amortisation expense	1,246.86	1,250.31	1,403.22	3,739.43
	(h) Other expenses	3,645.68	3,544.89	3,939.34	10,343.07
	Total Expenses	23,298.49	19,449.66	26,611.63	59,415.59
	Profit from Operations before other income, finance costs and Exceptional Items (1-2)	431.04	561.71	356.31	3,164.53
3	Other income (Refer note no 10)	141.25	328.30	2,604.91	642.70
	Profit from ordinary activities before finance costs and Exceptional Items (3+4)	572.30	890.01	2,961.22	3,807.23
5	Finance costs	1,529.30	1,555.70	1,841.12	4,826.79
	(Loss)/Profit from ordinary activities after finance costs but before exceptional items (5-6)	(957.00)	(665.69)	1,320.10	(1,019.56)
7	Exceptional items	-	-	-	-
9	(Loss)/Profit before Tax (7+8)	(957.00)	(665.69)	1,320.10	(1,019.56)
10	Tax expenses / (credit)	(206.09)	(383.10)	483.48	(216.24)
11	Net (Loss)/Profit for the period after Tax (9-10)	(750.91)	(302.59)	836.62	(803.32)
12	Other Comprehensive Income/(Expenses) (after tax)	(6.79)	(5.03)	(7.25)	(21.84)
13	Total Comprehensive Income/(Expenses) for the Period (11+12)	(757.70)	(307.62)	829.37	(825.16)
14	Paid-up equity share capital (Face Value of the share Rs. 2/-)	2,244.00	2,178.72	2,178.72	2,244.00
15	Earnings per share (of Rs. 2/- each) (not annualised)				
	(a) Basic	(0.67)	(0.27)	0.75	(0.72)
	(b) Diluted	(0.67)	(0.27)	0.75	(0.72)

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 8 February 2017.
- The statutory auditors of the Company have carried out Limited Review as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the related report is being submitted to the concerned stock exchanges.
- The standalone financial results of the Company have been prepared in accordance with Indian Accounting Standards ("IND AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Company adopted IND AS w.e.f. 1 April 2016, (with a transition date of 1 April 2015) and accordingly, these standalone financial results (including for previous comparative periods presented) have been prepared in accordance with the recognition and measurement principles of IND AS 34 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act 2013 read with the relevant rules issued there under and other accounting principles generally accepted in India.




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4. The Company has adopted Indian Accounting Standards (IND AS) effective from 1 April 2016. The results for the quarter and nine months ended 31 December 2015 (including segments) have been restated to be IND AS compliant and have been subjected to limited review by one of the joint auditor of the Company.
5. The Honourable High Court of Gujarat vide its order dated 7 October 2016 sanctioned a scheme of Amalgamation (the Scheme) of Elecon EPC Projects Ltd (EEPL) with the Company. The Scheme specified the appointed date of 30 March 2015. The previous year's figures include the results of erstwhile EEPL. The scheme specified the accounting under the "Purchase Method" laid down by Accounting Standard 14, Accounting for amalgamation.
6. In accordance with the Scheme, the Company has allotted 32,64,122 equity shares of Rs. 2 each to the shareholders of erstwhile EEPL in its meeting held on 10 November 2016. This is based on the swap ratio approved as per the Scheme.
7. 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.
8. The Company upon adoption of IND AS has elected to fair value property, plant and equipment of the combined entity in accordance with the choice available under IND AS 101, First time adoption. Accordingly there is no impact on the Profit and Loss pursuant to the fair valuation of fixed assets provided in the Scheme.
9. 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.
10. Other income for quarter and nine months ended 31 December, 2015 includes profit from sale of land amounting to Rs 2162.52 Lakhs and profit on sale of equity share of Elecon Peripherals Ltd amounting to Rs 189.75 Lakhs.
11. As per IND AS 108, Operating Segment the Company has reported segment information under 2 segments 1) Material Handling Equipment and 2) Transmission Equipment.
12. Tax expense includes provision for current income tax (based on estimated average effective annual income tax rate, considering tax allowances) and deferred tax charge/ (credit).
13. The reconciliation of net profit reported in accordance with Indian GAAP to total comprehensive income in accordance with IND AS is given below:

(Rs. in Lakhs)			
Sr.No	PARTICULARS	Quarter ended on 31-12-2015 (Unaudited)	Nine months ended on 31-12-2015 (Unaudited)
	Net Profit for the period under previous Indian GAAP	1,713.69	2,761.41
	Adjustment on account of :		
1	Restatement of results due to merger of Elecon EPC Projects Limited with the Company (w.e.f 1 April 2015)	(1,069.90)	(4,051.79)
2	Adjustment for revenue recognition from milestone basis to percentage of completion basis under Indian GAAP	922.71	1,167.21
3	Other adjustments under Indian GAAP	9.13	36.51
4	Impact of measuring investments at fair value through Profit and Loss	(13.96)	(2.04)
5	Impact on depreciation due to fair valuation of certain property, plant & equipments	50.41	151.44
6	Actuarial gains and losses on defined benefit plan reclassified to other comprehensive income (OCI)	11.09	33.27
7	Others	(6.53)	(2.16)
8	Deferred tax (as a result of amalgamation and IND AS)	120.10	705.25
	Net Profit before Other Comprehensive Income as per IND AS	836.62	799.10
	Add(Less): Adjustments in Other Comprehensive Income		
9	Other Comprehensive Income (Net of Tax)	(7.25)	(21.76)
	Total Comprehensive Income as per IND AS	829.37	777.34

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




Cranes



Rubber Industry



Marine Industry



Plastic Industry



Power Industry



Steel Industry



Sugar Industry



Mining



Cement Industry

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UNAUDITED STANDALONE SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND NINE MONTHS ENDED 31-12-2016

PARTICULARS	Three Months Ended				(Rs. in Lakhs)	
	31-12-2016	30-09-2016	31-12-2015	31-12-2016	31-12-2015	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
1. SEGMENT REVENUE						
(a) Material Handling Equipment	10,653.29	10,381.96	12,909.78	29,432.00	33,243.65	
(b) Transmission Equipment	13,170.07	10,088.40	13,201.95	34,486.97	36,184.70	
(c) Un allocated	-	-	-	-	-	
Total	23,823.36	20,470.36	26,171.73	63,918.97	69,428.35	
Less: Inter Segment Revenue	93.83	458.99	(796.11)	1,338.65	705.62	
Net Sales/Income from Operations	23,729.53	20,011.37	26,967.84	62,580.32	68,722.73	
2. SEGMENT RESULTS PROFIT(+)/LOSS(-) BEFORE TAX & INTEREST FROM EACH SEGMENT						
(a) Material Handling Equipment	(156.31)	(392.77)	148.29	(461.00)	(897.88)	
(b) Transmission Equipment	726.61	1,282.76	2,812.96	4,288.23	6,736.44	
(c) Un allocated	-	-	-	-	-	
Total	570.30	890.01	2,961.22	3,827.23	5,838.56	
Less:						
(i) Finance Cost	1,529.30	1,555.70	1,541.12	4,826.79	4,599.55	
Total Profit / (Loss) before Tax	(959.00)	(665.69)	1,320.10	(1,019.56)	1,239.01	
3. SEGMENT ASSETS						
(a) Material Handling Equipment	76,955.49	94,357.52	95,465.46	76,955.49	94,357.52	
(b) Transmission Equipment	116,278.19	115,486.12	114,971.26	116,278.19	115,486.12	
(c) Un allocated	1,539.18	1,213.26	-	1,539.18	1,213.26	
Total	194,772.86	211,056.90	210,436.72	194,772.86	211,056.90	
4. SEGMENT LIABILITIES						
(a) Material Handling Equipment	53,733.99	65,893.90	65,993.08	53,733.99	65,893.90	
(b) Transmission Equipment	57,992.64	54,406.24	67,153.45	57,992.64	54,406.24	
(c) Un allocated	12,415.89	12,627.53	-	12,415.89	12,627.53	
Total	124,142.52	132,927.67	133,146.53	124,142.52	132,927.67	

For and on behalf of Board of Directors


Prayash B. Patel
 Chairman & Managing Director
 DIN : 00037394

 Place : Vallabh Vidyanagar
 Date : 8 February 2017


Cranes



Rubber Industry



Marine Industry



Plastic Industry



Power Industry



Steel Industry



Sugar Industry



Mining



Cement Industry

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STATEMENT OF CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31-12-2016

(Rs. in Lakhs)

Sr. No.	PARTICULARS	Three Months Ended			Nine Months Ended	
		31-12-2016	30-09-2016	31-12-2015	31-12-2016	31-12-2015
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1	Income from operations					
	(a) Income from operations	30,192.53	26,100.39	34,565.46	82,089.71	90,334.19
	(b) Other operating income	176.00	284.48	286.17	701.32	894.01
	Total Income from Operations	30,368.53	26,384.87	34,851.63	82,801.03	91,228.20
2	Expenses					
	(a) Cost of materials consumed	15,152.96	11,005.37	15,219.84	37,075.20	43,625.12
	(b) Purchase of stock-in-trade	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(948.07)	(487.15)	1,101.65	(2,151.05)	(3,579.15)
	(d) Manufacturing expenses and erection charges	4,084.34	4,259.32	5,731.26	10,984.24	13,359.27
	(e) Excise duty	1,760.77	1,614.57	1,727.98	4,874.61	5,196.91
	(f) Employee benefits expense	3,763.37	3,713.74	3,830.64	11,365.27	11,166.03
	(g) Depreciation and amortisation expense	1,415.55	1,430.65	1,601.43	4,277.89	4,760.96
	(h) Other expenses	3,952.11	4,597.14	5,279.17	13,053.33	12,678.07
	Total Expenses	29,181.05	26,123.64	34,491.87	79,479.49	87,207.21
	Profit from Operations before other income, finance costs and Exceptional Items (1-2)	1,187.48	261.23	359.76	3,321.54	4,020.99
3	Other income (Refer note no 4)	97.77	329.31	2,644.64	603.11	3,244.91
5	Profit from ordinary activities before finance costs and Exceptional Items (3+4)	1,285.25	590.54	3,204.60	3,924.65	7,265.90
6	Finance costs	2,443.15	1,718.08	2,054.82	6,065.99	5,517.41
7	(Loss)/Profit from ordinary activities after finance costs but before exceptional items (5-6)	(1,157.90)	(1,127.54)	1,149.78	(2,141.34)	1,748.49
8	Exceptional items	-	-	-	-	-
9	(Loss)/Profit before Tax (7+8)	(1,157.90)	(1,127.54)	1,149.78	(2,141.34)	1,748.49
10	Tax expenses / (credit)	(133.63)	(331.91)	499.42	(89.56)	473.65
11	Net (Loss)/Profit for the period after Tax (9-10)	(1,024.27)	(795.63)	650.36	(2,051.78)	1,274.84
12	Share of Profit of associates	78.09	52.40	65.89	156.63	164.61
13	Non Controlling Interests	-	-	-	-	-
14	Net (Loss)/Profit after Tax, Non Controlling Interests and share of profit/(loss) of associates (11+12-13)	(946.18)	(743.23)	716.25	(1,895.15)	1,439.45
15	Other Comprehensive Income/(Expenses) (after tax)	293.72	(40.89)	(102.06)	1,039.10	(367.08)
16	Total Comprehensive Income/(Expenses) after Non Controlling interest and share of profit/(loss) of associates (14+15)	(654.46)	(784.12)	614.19	(856.05)	1,072.37
17	Paid-up equity share capital (Face Value of the share Rs. 2/-)	2,244.00	2,178.72	2,178.72	2,244.00	2,178.72
18	Earnings per share (of Rs. 2/- each) (not annualised):					
	(a) Basic	(0.85)	(0.66)	0.64	(1.69)	1.28
	(b) Diluted	(0.85)	(0.66)	0.64	(1.69)	1.28

See accompanying notes to the Financial Results



Cranes



Rubber Industry



Marine Industry



Plastic Industry



Power Industry



Steel Industry



Sugar Industry



Mining



Cement Industry

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Notes:

- 1 The above consolidated financial results were reviewed and recommended by the Audit Committee and taken on record by the Board of Directors at their meeting held on 6 February 2017
- 2 The consolidated financial results of the Company have been prepared in accordance with Indian Accounting Standards ("IND AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Company adopted IND AS w.e.f. 1 April 2016, (with a transition date of 1 April 2015) and accordingly, these consolidated financial results (including for previous comparative periods presented) have been prepared in accordance with the recognition and measurement principles of IND AS 34 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act 2013 read with the relevant rules issued there under and other accounting principles generally accepted in India
- 3 The Company has adopted Indian Accounting Standards (IND AS) effective from 1 April 2016. The results for the quarter and nine months ended 31 December 2016 have been restated to be IND AS compliant and have been subjected to limited review by one of the joint auditor of the Company.
- 4 Other income for quarter and nine months ended 31 December 2015 includes profit from sale of land Rs 2152.52 Lakhs and loss on sale of equity share of Elecon Peripherals Ltd. Rs 26.86 Lakhs.
- 5 As per IND AS 108, Operating Segment the Company has reported segment information under 2 segments 1) Material Handling Equipment and 2) Transmission Equipment.
- 6 The consolidated financial results have been prepared in accordance with IND AS 110 " Consolidated Financial Statement" and IND AS 28 " Investments in Associates and Joint Ventures". Business Combination are accounted in accordance with IND AS 103. Any goodwill arising upon business Combination is not amortised but tested for impairment annually.
- 7 The reconciliation of net profit reported in accordance with Indian GAAP to total comprehensive income in accordance with IND AS is given below:

Sr.No	PARTICULARS	(Rs. in Lakhs)	
		Quarter ended 31-12-2015 (Unaudited)	Nine months ended 31-12-2015 (Unaudited)
	Net Profit for the period under previous Indian GAAP	430.26	983.49
1	Adjustment on account of: Restatement of results due to merger of Elecon EPC Projects Limited with the Company (w.e.f 1 April 2015) relating to reversal of non controlling interest	(771.44)	(1,594.19)
2	Adjustment for revenue recognition from milestone basis to percentage of completion basis under Indian GAAP	922.71	1,167.21
3	Other adjustments under Indian IGAAP	9.13	36.51
4	Impact of measuring investments at fair value through Profit and Loss	(13.98)	(2.04)
5	Impact on depreciation due to fair valuation of certain property, plant & equipments	50.41	151.45
6	Actuarial gains and -losses on defined benefit plan reclassified to other comprehensive income (OCI)	11.09	33.27
7	Others	(45.87)	(41.51)
8	Deferred tax (as a result of amalgamation and IND AS)	123.94	705.26
	Net Profit before Other Comprehensive Income as per IND AS	716.25	1,439.48
9	Add(Less): Adjustments in Other Comprehensive Income		
	Other Comprehensive Income (Net of Tax)	(102.06)	(367.08)
	Total Comprehensive Income as per IND AS	614.19	1,072.37

- 8 Other Comprehensive Income mainly comprises of remeasurement of defined benefit plan and exchange differences on translation of financial statement of Foreign operations.
- 9 Figures of the previous period have been regrouped / reclassified wherever considered 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 AND NINE MONTHS ENDED 31-12-2016

PARTICULARS	Three Months Ended			Nine Months Ended	
	31-12-2016	30-09-2016	31-12-2015	31-12-2016	31-12-2015
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1. SEGMENT REVENUE					
(a) Material Handling Equipment	10,653.29	10,381.98	13,492.77	29,432.00	33,243.64
(b) Transmission Equipment	20,568.61	16,995.62	21,562.51	56,347.84	60,492.93
(c) Un allocated	-	-	-	-	-
Total	31,221.90	27,377.60	35,055.28	85,779.84	93,736.57
Less: Inter Segment Revenue	653.37	992.73	203.65	2,978.91	2,508.37
Net Sales/Income from Operations	30,368.53	26,384.87	34,851.63	82,801.03	91,228.20
2. SEGMENT RESULTS PROFIT(+)/LOSS(-) BEFORE TAX & INTEREST FROM EACH SEGMENT					
(a) Material Handling Equipment	(156.31)	(401.62)	148.26	(461.00)	(897.88)
(b) Transmission Equipment	1,441.56	992.16	3,056.34	4,385.65	8,163.78
(c) Un allocated	-	-	-	-	-
Total	1,285.25	590.54	3,204.60	3,924.65	7,265.90
Less:					
i) Finance Cost	2,443.15	1,718.08	2,054.82	6,065.99	5,517.41
Total Profit before Tax	(1,157.90)	(1,127.54)	1,149.78	(2,141.34)	1,748.49
3. SEGMENT ASSETS					
(a) Material Handling Equipment	76,880.68	89,141.55	94,539.59	76,880.68	94,539.59
(b) Transmission Equipment	136,351.69	137,090.30	138,843.57	136,351.69	138,843.57
(c) Un allocated	2,366.70	2,350.74	2,214.95	2,366.70	2,214.95
Total	215,599.07	228,582.59	235,598.11	215,599.07	235,598.11
4. SEGMENT LIABILITIES					
(a) Material Handling Equipment	53,643.42	56,436.90	65,768.33	53,643.42	65,768.33
(b) Transmission Equipment	80,781.24	81,517.61	80,678.39	80,781.24	80,678.39
(c) Un allocated	12,999.66	12,737.74	13,306.87	12,999.66	13,306.87
Total	147,424.32	150,692.25	159,753.59	147,424.32	159,753.59

 Place : Vallabh Vidyanagar
 Date : 8 February 2017


For and on behalf of Board of Directors



 Prayasvin B. Patel
 Chairman & Managing Director
 DIN : 00037394


Cranes



Rubber Industry



Marine Industry



Plastic Industry



Power Industry



Steel Industry



Sugar Industry



Mining



Cement Industry

Gearing industries. Gearing economies.

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

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

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

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

We have reviewed the accompanying statement of unaudited standalone financial results ('the Statement') of Elecon Engineering Company Limited ('the Company') for the quarter and nine months ended 31 December 2016, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on 8 February 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 statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

The unaudited standalone financial results for the quarter and nine months ended 31 December 2015 reported under the previous GAAP, included in the Statement, are based on the previously issued results of the Company, prepared in accordance with the Accounting Standards as per Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. These results were reviewed by Thacker Butala Desai, Chartered Accountants, whose report dated 29 January 2016 expressed an unmodified opinion on those unaudited standalone financial results. We draw attention to the fact that management has adjusted these previously issued results for the differences in the accounting principles adopted by the Company on transition to the Indian Accounting Standards ('Ind AS') and presented a reconciliation for the same, which has been approved by the Company's Board of Directors and reviewed by Thacker Butala Desai, Chartered Accountants, one of the joint auditors of the Company.



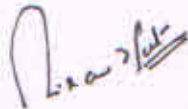
Review report (Continued)
Elecon Engineering Company Limited

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (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 9 of the Statement regarding the Scheme of Amalgamation ('the Scheme') between Elecon EPC Projects Limited (subsidiary of the Company) and the Company sanctioned by the Honorable High Court of Judicature at Gujarat vide its order dated 7 October 2016, wherein the Company, has accounted for the amalgamation under purchase method in accordance with the erstwhile Accounting Standard 14 – Accounting for Amalgamation. The Company has given effect to the Scheme from the appointed date specified in the Scheme i.e. 30 March 2015. Pursuant to giving effect of the Scheme the Capital Reserve of Rs 4,258.57 lakhs has been generated. The accounting treatment is different from that prescribed under Ind AS 103 – Business Combination.

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

For **B S R & Co. LLP**
 Chartered Accountants
 Firm's Registration No: 101248W/W-100022



Nirav Patel
 Partner
 Membership No: 113327



Vallabh Vidyanagar
 Date: 8 February 2017

For **Thacker Butala Desai**
 Chartered Accountants
 Firm's Registration No: 110864W




Yatin N. Patel
 Partner
 Membership No: 122676

Vallabh Vidyanagar
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Fax +91 (02637) 242802

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

To Board of Directors of
Elecon Engineering Company Limited

We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Elecon Engineering Company Limited ('the Company') and its subsidiaries and associates (collectively 'the Group') for the quarter and nine months ended 31 December 2016, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This Statement is the responsibility of the Company's management and has been approved by the Board of Directors in their meeting held on 8 February 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 statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

The unaudited consolidated financial results for the quarter and nine months ended 31 December 2015 included in the Statement, are based on the previously issued consolidated financial results of the Company for the quarter and nine months ended 31 December 2015 prepared in accordance with the Accounting Standards as per Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. These results were reviewed by Thacker Butala Desai, Chartered Accountants, whose report dated 29 January 2016 expressed an unmodified opinion on those unaudited consolidated financial results. We draw attention to the fact that management has adjusted these previously issued results for differences in the accounting principles adopted by the Company on transition to the Indian Accounting Standards ('Ind AS') and presented reconciliation for the same which has been approved by the Company's Board of Directors and reviewed by Thacker Butala Desai, Chartered Accountants, one of the joint auditors of the Company.



Review report (Continued)

Elecon Engineering Company Limited

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) Elecon US Transmission Limited	
(e) Benzler Transmission A.S.	
(f) Benzler Antriebstechnik G.m.b.h	
(g) Benzler TBA B.V.	
(h) Benzler Antriebstechnik Ges.m.b.h	
(i) OY Benzler AB	
(j) Benzlers SDN BDH	
(k) Benzlers Italia s.r.l.	
Elecon Singapore Pte Limited	Wholly owned subsidiary
Elecon Middle East FZE	Wholly owned subsidiary
Eimco (Elecon) India Limited	Associate
Elecon Eng. (Suzhou) Co. Limited	Associate
Elecon Africa Pty. Limited	Associate
Elecon Australia Pty. Limited	Associate

The consolidated financial results include the Group's share of net profit for the quarter and nine months ended 31 December 2016 of Rs 76.09 lakhs and Rs 156.63 lakhs respectively, as considered in the consolidated financial results, in respect of an associate, whose financial result have been reviewed by its auditor. Our opinion on the consolidated financial results, in so far it relates to the amounts and disclosures included in respect of the associate, is based solely on such reviewed financial result.

The financial results and other financial information of 14 subsidiaries and 3 associate have not been subjected to review and have been presented based on the financial information compiled by the management. These subsidiaries account for total revenue of Rs. 7,407.60.99 lakhs and Rs. 21,873.82 lakhs for the quarter and nine months ended 31 December 2016 respectively, and net loss of the group of Rs. 227.39 lakhs and Rs. 1,245.43 lakhs for the quarter and nine months ended 31 December 2016 respectively as considered in the Statement. The consolidated financial results also include the Group's share of net profit of Rs Nil for the quarter and nine months ended 31 December 2016, in respect of 3 associates. Our review opinion on the consolidated financial results, insofar as it relates to these entities, is solely based on such financial information provided by the management.



Review report (Continued)
Elecon Engineering Company Limited

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.

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022



Nirav Patel
Partner
Membership No: 113327

Vallabh Vidyanagar
Date: 8 February 2017



For **Thacker Butala Desai**
Chartered Accountants
Firm's Registration No: 110864W



Yatin N. Patel
Partner
Membership No: 122676

Vallabh Vidyanagar
Date: 8 February 2017

Elecon Engineering announces Q3FY17 Results

STANDALONE Q3FY17 NET REVENUE AT RS. 237 CRORES

EARNINGS CALL AT 5:00 PM TODAY

Vallabh Vidyanagar, India, February 8th, 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 **Third Quarter (Q3FY17)** and **Nine Months (9MFY17)** period ended December 31st, 2016.

Financial Performance

Standalone Q3FY17 Review

- Total Operating income was Rs.237 crores for Q3FY17 as compared to Rs.270 crores in the corresponding period of the previous year, reflecting a decline of 12%.
- EBITDA stood at Rs.17 crores as compared to Rs.18 crores during the corresponding period of previous year (excluding other income)
- EBITDA Margin at 7.1 % for Q3FY17 as against 6.5% in Q3FY16
- Net Loss stood at Rs. 8 crores for Q3FY17 as compared to a profit of Rs. 8 crores in the corresponding period of the previous year.

The performance in the Q3 FY17 has been affected by:

- *Slow order offtake from the customers due to challenging macro environment*
- *Less absorption of overheads due to drop in sales*

Consolidated 9MFY17 Review (Includes standalone performance of mergers and other subsidiaries)

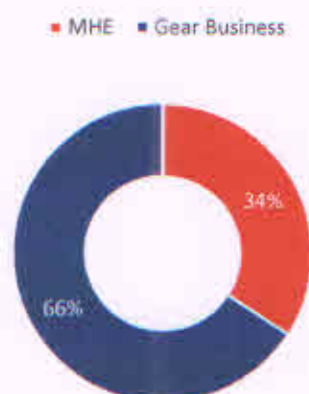
- Total Operating income was Rs. 828 crores for 9MFY17 as compared to the income of Rs.912 crores in the corresponding period of the previous year, a decline of 9%
- EBITDA stood at Rs. 76 crores as compared to Rs. 88 crores during the corresponding period of previous year (excluding other income)
- EBITDA Margin at 9.2% for 9MFY17 as against 9.6% in 9MFY16
- Consolidated Net Loss stood at Rs.19 crores for 9MFY17 as compared to a Profit of Rs.14 crores in the corresponding period of the previous year

Management Comments

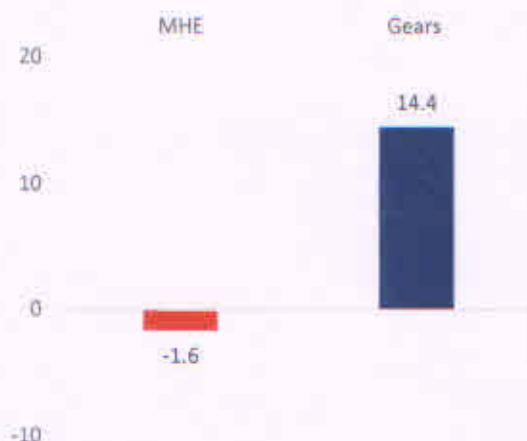
Commenting on the Company's performance for Q3FY17, **Mr. Prayasvin Patel, CMD** said *"Our performance in the quarter reflects the tepid demand that we continue to witness at the core industry sectors. While we have continued traction for the new business, the order pickup from the customers remain low. We believe that the current government's initiatives in the budgets are likely to see pick up in the demand for Capital goods and infrastructure sector in the medium term and therefore we remain positive on the recovery of our business."*

Segment Wise Performance (Q3FY17)

Segment Wise Revenue Split(%)



PBIT (Rs crores)



Performance of the Overseas subsidiary

During the quarter, our overseas business under Benzlers and Radicon registered a revenue of Rs. 66 crores with EBITDA margin of 2.2%. For the 9M FY17, the total revenues for B&R are Rs. 202 crores with EBITDA of Rs. 4 crores.

Order Book and Outlook

Despite the headwinds in the order-execution activity, the gear business continued to witness traction from the customers. During the quarter, we booked orders worth Rs.108 crores in gear business. This translates to an order backlog of Rs.706 crores for execution in the near to medium term. In the material handling business, we closed orders worth Rs.20 crores which is on the lower side as we revisited strategy to focus on profitable and product based projects. The pending order book for MHE business now stands at Rs.551 crores.

Analyst Conference Call

The company will conduct its earnings call at 5:00 PM IST today where the senior management will discuss the company's performance and answer questions from participants. To participate in this conference call, please dial the numbers ten minutes ahead of the scheduled start time. The dial-in number for this call is **+91 22 3960 0644**. Other toll numbers are listed in the conference call invite which is posted on the company website and stock exchange. We will aim to post the transcript of the conference call on the company website within seven working days of the investor conference call.

About Elecon Engineering Company Limited

Elecon Engineering Company Ltd (BSE code: 505700, NSE code: ELECON) is one of Asia's largest gear manufacturing Company with vast experience of about five decades and significant business presence in India and abroad. The Company designs and manufactures worm gears; parallel shaft and right angle shaft; helical and spiral level helical gears; fluid geared and flexible couplings, as well as planetary gear boxes. The Company also manufactures material handling equipment, mining equipment, casting processes amongst others. The company was incorporated in 1960 by Shri Ishwarbhai B Patel and has its headquarters in Vallabh Vidyanagar, Gujarat. For more info, visit: www.elecon.com

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

Rajat Jain

Elecon Engineering Company Limited

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

E: rajatjain@elecon.com

Ankit Gupta

Christensen Investor Relations

P: +91 22 4215 0210

E: Ankitgupta@christensenir.com

Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors. That could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. Elecon Engineering Company Ltd. will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.