

Elecon Engineering Company Limited

STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE HALF YEAR / QUARTER ENDED 30TH SEPTEMBER, 2015

PART I

 Annexure 1
 (Rs. in Lacs)

Sl. No.	PARTICULARS	STANDALONE					
		Quarter Ended			Half Year Ended		Year Ended
		30th Sept., 2015	30th June 2015	30th Sept., 2014	30th Sept., 2015	30th Sept., 2014	31st Mar., 2015
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income from operations						
	(a) Net Sales/Income from operations (net of excise duty)	11,050.78	9,634.53	11,632.05	20,685.31	21,111.92	49,778.42
	(b) Other Operating Income	89.09	126.18	149.74	215.27	262.19	540.82
	Total Income from Operations (net)	11,139.87	9,760.71	11,781.79	20,900.58	21,374.11	50,319.24
2	Expenses						
	(a) Cost of materials consumed	6,035.98	6,728.63	6,270.55	12,764.61	11,903.43	26,404.89
	(b) Purchase of stock-in-trade	-	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,146.79)	(2,042.18)	685.68	(3,188.97)	251.67	1,288.57
	(d) Employee benefits expense	1,379.76	988.87	995.02	2,368.63	1,887.43	3,691.71
	(e) Depreciation and amortisation expense	1,176.40	1,160.32	1,061.97	2,336.72	2,461.12	5,158.37
	(f) Other expenses	2,100.08	1,791.23	1,910.72	3,891.31	3,651.04	8,283.72
	Total Expenses	9,545.43	8,626.87	10,923.94	18,172.30	20,154.69	44,827.26
3	Profit / (Loss) from Operations before other income, finance costs & Exceptional Items (1-2)	1,594.44	1,133.84	857.85	2,728.28	1,219.42	5,491.98
4	Other Income	324.71	233.76	238.24	558.47	822.04	2,267.74
5	Profit / (Loss) from ordinary activities before finance costs and Exceptional Items (3+4)	1,919.15	1,367.60	1,096.09	3,286.75	2,041.46	7,759.72
6	Finance costs	906.03	794.22	703.39	1,700.25	1,464.18	2,995.03
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5+6)	1,013.12	573.38	392.70	1,586.50	577.28	4,764.69
8	Exceptional items	-	-	-	-	-	-
9	Profit / Loss from ordinary activities before Tax (7+8)	1,013.12	573.38	392.70	1,586.50	577.28	4,764.69
10	Tax expenses	321.99	216.69	125.43	538.68	185.29	1,446.11
11	Net Profit / Loss from ordinary activities after Tax (9+10)	691.13	356.69	267.27	1,047.82	391.99	3,318.58
12	Extraordinary Item (Net of Tax Expense Rs. Nil)	-	-	-	-	-	-
13	Net Profit / Loss for the Period (11+12)	691.13	356.69	267.27	1,047.82	391.99	3,318.58
14	Share of Profit / (loss) of associates	-	-	-	-	-	-
15	Minority interest	-	-	-	-	-	-
16	Net Profit / (Loss) after taxes, minority interest and share of profit/ (loss) of associates (13+14+15)	691.13	356.69	267.27	1,047.82	391.99	3,318.58
17	Paid-up equity share capital (Face Value of the share Rs. 2/-)	2,178.72	2,178.72	2,178.72	2,178.72	2,178.72	2,178.72
18	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	49,908.07	-	47,382.69	49,908.07	47,382.69	48,860.25
19.i	Earnings per share (before extraordinary items) (of Rs. 2/- each) (not annualised):						
	(a) Basic	0.63	0.33	0.25	0.96	0.36	3.05
	(b) Diluted	0.63	0.33	0.25	0.96	0.36	3.05
19.ii	Earnings per share (after extraordinary items) (of Rs. 2/- each) (not annualised):						
	(a) Basic	0.63	0.33	0.25	0.96	0.36	3.05
	(b) Diluted	0.63	0.33	0.25	0.96	0.36	3.05



Cranes



Rubber Industry



Marine Industry



Plastic Industry



Power Industry



Steel Industry



Sugar Industry



Mining



Cement Industry

Gearing industries. Gearing economies.

ELECON ENGINEERING COMPANY LIMITED, Post Box # 6, Vallabh Vidyanagar - 388 120, Gujarat, India. Tel.: +91 - 2692 - 236469, 236513. Fax: +91 - 2692 - 227484.

CIN L29259GJ1960PLC001082 | info@elecon.com | www.elecon.com

PART II							
A	PARTICULARS OF SHAREHOLDING						
1	Public Shareholding						
	-Number of Shares	4,64,72,924	4,56,52,924	4,56,64,924	4,64,72,924	4,56,64,924	4,56,64,924
	-Percentage of shareholding	42.66%	41.91%	41.92%	42.66%	41.92%	41.92%
2	Promoters and promoter group shareholding **						
	a) Pledged / Encumbered						
	- Number of shares	63,36,000	63,36,000	63,36,000	63,36,000	63,36,000	63,36,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	10.14%	10.01%	10.01%	10.14%	10.01%	10.01%
	- Percentage of shares (as a % of the total share capital of the company)	5.82%	5.82%	5.82%	5.82%	5.82%	5.82%
	b) Non - encumbered						
	- Number of shares	5,61,26,919	5,69,46,919	5,69,34,919	5,61,26,919	5,69,34,919	5,69,34,919
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	89.86%	89.99%	89.99%	89.86%	89.99%	89.99%
	- Percentage of shares (as a % of the total share capital of the company)	51.52%	52.28%	52.26%	51.52%	52.26%	52.26%
	PARTICULARS	3 Months ended 30th Sep. 2015					
B	INVESTOR COMPLAINTS						
	Pending at the beginning of the quarter	Nil					
	Received during the quarter	3					
	Disposed of during the quarter	3					
	Remaining unresolved at the end of the quarter	Nil					

Place : Vallabh Vidyanagar
Date : October 28, 2015

For and on behalf of Board of Directors

Prayasvin B. Patel
Chairman & Managing Director
DIN : 00037394

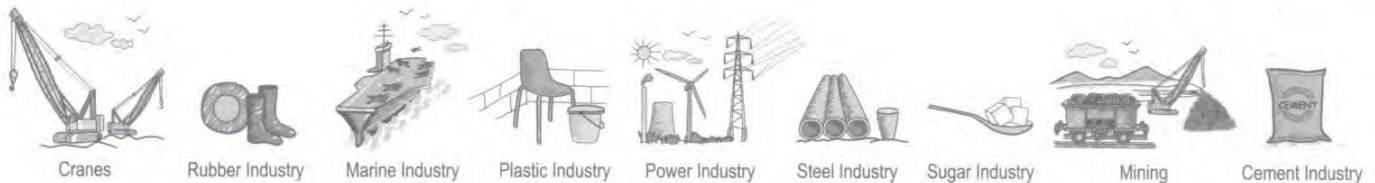
(Rs. in Lacs)

	PARTICULARS	STANDALONE	
		As on	
		30th Sept., 2015	31st Mar., 2015
		(Unaudited)	(Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' Funds		
	(a) Share Capital	2,178.72	2,178.72
	(b) Reserves & Surplus	49,908.07	48,860.25
	(c) Money received against share warrants	-	-
	Sub-Total - Shareholders' Funds	52,086.79	51,038.97
2	Share Application Money Pending Allotment	-	-
3	Minority Interest	-	-
4	Non-Current Liabilities		
	(a) Long-term borrowings	15,587.89	8,926.15
	(b) Deferred tax liabilities (net)	3,124.88	3,280.32
	(c) Other long-term liabilities	108.83	106.83
	(d) Long-term provisions	210.34	243.16
	Sub-Total - Non-Current Liabilities	19,031.94	12,556.46
5	Current Liabilities		
	(a) Short-term borrowings	13,715.22	13,844.41
	(b) Trade payables	19,685.15	20,870.44
	(c) Other current liabilities	5,244.20	5,625.09
	(d) Short-term provisions	206.49	1,625.12
	Sub-Total - Current Liabilities	38,851.06	41,965.06
	TOTAL - EQUITY & LIABILITIES	1,09,969.78	1,05,560.49
B	ASSETS		
1	Non-Current Assets		
	(a) Fixed assets	31,375.34	33,562.07
	(b) Goodwill on consolidation *	-	-
	(c) Non-current investments	19,924.15	19,924.15
	(d) Deferred tax assets (net)	-	-
	(e) Long-term loans and advances	4,102.63	1,540.28
	(f) Other non-current assets	79.31	79.31
	Sub-Total - Non-Current Assets	55,481.43	55,105.81
2	Current Assets		
	(a) Current investments	-	-
	(b) Inventories	17,853.60	13,022.26
	(c) Trade receivables	21,653.36	22,675.62
	(d) Cash & cash equivalents	501.71	305.68
	(e) Short-term loans & advances	1,948.22	1,691.99
	(e) Other Current assets	12,531.46	12,759.13
	Sub-Total - Current Assets	54,488.35	50,454.68
	TOTAL - ASSETS	1,09,969.78	1,05,560.49

ELECON ENGINEERING COMPANY LIMITED
 UNAUDITED FINANCIAL RESULTS FOR THE PERIOD ENDED 30TH SEPT, 2015
 PART I

Annexure - 1
 (₹ in Lacs)

Sl. No.	PARTICULARS	CONSOLIDATED					
		Quarter ended			Half Year Ended		Year ended
		30th Sept, 2015 (Unaudited)	30th JUNE, 2015 (Unaudited)	30th Sept, 2014 (Unaudited)	30th Sept, 2015 (Unaudited)	30th Sept, 2014 (Unaudited)	31st MAR., 2015 (Audited)
1	Income from operations						
	(a) Net Sales/Income from operations (net of excise duty)	28,069.81	25,394.39	29,431.38	53,464.20	55,913.20	1,31,177.36
	(b) Other Operating Income	245.43	319.24	403.90	564.67	707.45	1,711.69
	Total Income from Operations (net)	28,315.24	25,713.63	29,835.28	54,028.87	56,620.65	1,32,889.05
2	Expenses						
	(a) Cost of materials consumed	13,410.04	17,835.14	17,644.50	31,245.18	34,881.31	78,735.57
	(b) Purchase of stock-in-trade	(299.07)	478.92	625.86	179.85	820.09	654.03
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	3,917.47	(3,089.99)	1,034.46	827.48	(454.59)	2,977.14
	(d) Employee benefits expense	3,872.16	3,486.46	3,652.26	7,358.62	7,541.84	14,325.83
	(e) Depreciation and amortisation expense	1,659.15	1,631.15	1,505.30	3,290.30	3,450.01	7,157.87
	(f) Other expenses	3,882.82	3,924.09	4,380.54	7,806.91	8,728.00	19,220.43
	Total Expenses	26,442.57	24,265.77	28,842.92	50,708.34	54,966.66	1,23,070.87
3	Profit / (Loss) from Operations before other income, finance costs & Exceptional Items (1-2)	1,872.67	1,447.86	992.36	3,320.53	1,653.99	9,818.18
4	Other Income	70.51	265.48	128.94	335.99	596.60	1,661.74
5	Profit / (Loss) from ordinary activities before finance costs and Exceptional Items (3+4)	1,943.18	1,713.34	1,121.30	3,656.52	2,250.59	11,479.92
6	Finance costs	1,921.21	1,420.52	1,651.33	3,341.73	3,432.24	8,087.00
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5+6)	21.97	292.82	(530.03)	314.79	(1,181.65)	3,392.92
8	Exceptional items	-	-	-	-	-	-
9	Profit / Loss from ordinary activities before Tax (7+8)	21.97	292.82	(530.03)	314.79	(1,181.65)	3,392.92
10	Tax expenses	373.56	222.00	199.33	595.56	280.91	1,678.68
11	Net Profit / Loss from ordinary activities after Tax (9+10)	(351.59)	70.82	(729.36)	(280.77)	(1,462.56)	1,714.24
12	Extraordinary Item (Net of Tax Expense ₹ Nil)	-	-	-	-	-	-
13	Net Profit / Loss for the Period (11+12)	(351.59)	70.82	(729.36)	(280.77)	(1,462.56)	1,714.24
14	Share of Profit / (loss) of associates*	15.52	(4.27)	(0.80)	11.25	4.30	20.39
15	Minority interest*	476.38	346.37	428.96	822.75	487.51	(100.19)
16	Net Profit / (Loss) after taxes, minority interest and share of profit/ (loss) of associates (13+14+15)*	140.31	412.92	(301.20)	553.23	(970.75)	1,634.44
17	Paid-up equity share capital (Face Value of the share ₹ 10/-)	2,178.72	2,178.72	2,178.72	2,178.72	2,178.72	2,178.72
18	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	51,378.09
19.i	Earnings per share (before extraordinary items) (of ₹ 10/- each) (not annualised):						
	(a) Basic	0.13	0.38	(0.28)	0.51	(0.89)	1.50
	(b) Diluted *	0.13	0.38	(0.28)	0.51	(0.89)	1.50
19.ii	Earnings per share (after extraordinary items) (of ₹ 10/- each) (not annualised):						
	(a) Basic	0.13	0.38	(0.28)	0.51	(0.89)	1.50
	(b) Diluted	0.13	0.38	(0.28)	0.51	(0.89)	1.50




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- 1 The above financial results were reviewed by the Audit Committee at its meeting held on October 28, 2015 and taken on record and approved by the Board of Directors at its meeting held on the same date.
- 2 The tax expense is not comparable with the profit before tax, since it is consolidated on a line-by-line addition of each subsidiary company and no tax effect is recorded in respect of consolidation adjustments. This accounting treatment is as per Accounting Standard (AS) - 21.
- 3 The stand-alone financial results & consolidated financial results have been subjected to limited review by the statutory auditors.
- 4 The consolidated financial results have been prepared in accordance with Accounting Standard - 21 on "Consolidated Financial Statements", Accounting Standard - 23 on "Accounting for Investments in Associates" and Accounting Standard - 27 on "Financial Reporting of Interests in Joint ventures".
- 5 Figures for the previous periods / year have been regrouped / reclassified, wherever necessary.

Date : 28.10.2015

Place: V. V. Nagar

For and on behalf of Board of Directors

Prayasvin B. Patel
Chairman & Managing Director
DIN: 00037394

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(₹ in Lacs)

PARTICULARS	CONSOLIDATED					
	Quarter Ended			Half Year Ended		Year ended
	30th Sept, 2015	30th JUNE, 2015	30th Sept, 2014	30th Sept, 2015	30th Sept, 2014	31st MAR., 2015
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. SEGMENT REVENUE						
Material Handling Equipment	10,088.50	8,931.72	10,357.95	19,020.22	20,765.00	51,742.65
Transmission Equipment	18,953.94	17,893.43	20,546.54	36,847.37	38,476.90	85,458.10
Others	599.61	425.78	825.86	1,025.39	1,167.45	3,264.29
Total	29,642.05	27,250.93	31,730.35	56,892.98	60,409.35	1,40,465.04
Less: Inter Segment Revenue	1,326.80	1,537.31	1,895.08	2,864.11	3,788.71	7,575.99
Net Sales/Income from Operations	28,315.24	25,713.63	29,835.28	54,028.87	56,620.65	1,32,889.05
2. SEGMENT PROFIT/(LOSS) BEFORE TAX & INTEREST						
Material Handling Equipment	(627.39)	(239.11)	(339.49)	(866.50)	273.72	3,296.41
Transmission Equipment	2,474.60	1,915.38	1,385.18	4,389.98	1,869.99	7,675.90
Others	95.97	37.07	75.61	133.04	106.88	507.61
Total	1,943.18	1,713.34	1,121.30	3,656.52	2,250.59	11,479.92
Less:						
a) Finance Cost	1,921.21	1,420.52	1,651.33	3,341.73	3,432.24	8,087.00
b) Unallocated Corporate Expenses (net of unallocable income)						
Total Profit before Tax	21.97	292.82	(530.03)	314.79	(1,181.65)	3,392.92
3. CAPITAL EMPLOYED						
(Segment Assets - Segment Liabilities)						
1 a) Segment wise Assets						
Material Handling Equipment	96,885.88	96,459.82	95,861.61	96,885.88	95,861.61	97,750.81
Transmission Equipment	95,440.33	1,06,783.12	1,06,667.51	95,440.33	1,05,418.57	94,796.75
Others	3,646.36	3,651.56	3,592.40	3,646.36	3,592.40	3,873.00
b) Unallocated Assets						
2 a) Segment wise Liabilities						
Material Handling Equipment	37,361.64	44,898.81	46,504.80	37,361.64	45,255.86	43,734.43
Transmission Equipment	42,005.96	44,435.87	49,180.59	42,005.96	49,180.59	44,984.84
Others	272.39	341.85	418.79	272.39	418.79	589.40
b) Unallocated Liabilities						
a) Segment wise Capital Employed						
Material Handling Equipment	59,524.24	51,561.01	49,356.81	59,524.24	50,605.75	54,016.38
Transmission Equipment	53,434.37	62,347.25	57,486.92	53,434.37	56,237.98	49,811.91
Others	3,373.97	3,309.71	3,173.61	3,373.97	3,173.61	3,283.60
b) Unallocated Capital Employed						
Total Capital Employed	1,16,332.58	1,17,217.97	1,10,017.34	1,16,332.58	1,10,017.34	1,07,111.89

For and on behalf of Board of Directors


Prayasvin B. Patel
Chairman & Managing Director
DIN: 00037394

Place : V. V. Nagar

Date : October 28, 2015

Statement of Assets and Liabilities

(₹ In Lacs)

	PARTICULARS	CONSOLIDATED	
		As on	
		30th Sept, 2015	31st MARCH, 2015
		(Unaudited)	(Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' Funds		
	(a) Share Capital	2,178.72	2,178.72
	(b) Reserves & Surplus	51,710.24	51,378.09
	(c) Money received against share warrants	-	-
	Sub-Total - Shareholders' Funds	53,888.96	53,556.81
2	Share Application Money Pending Allotment	-	-
3	Minority Interest	2,779.47	3,603.53
4	Non-Current Liabilities		
	(a) Long-term borrowings	21,597.27	16,316.58
	(b) Deferred tax liabilities (net)	3,459.52	3,614.21
	(c) Other long-term liabilities	11,618.68	11,305.06
	(d) Long-term provisions	364.64	317.47
	Sub-Total - Non-Current Liabilities	37,040.11	31,553.32
5	Current Liabilities		
	(a) Short-term borrowings	37,753.22	33,964.00
	(b) Trade payables	45,135.61	51,527.13
	(c) Other current liabilities	19,044.29	20,429.86
	(d) Short-term provisions	697.33	2,125.62
	Sub-Total - Current Liabilities	1,02,630.45	1,08,046.61
	TOTAL - EQUITY & LIABILITIES	1,96,338.99	1,96,760.27
B	ASSETS		
1	Non-Current Assets		
	(a) Fixed assets	44,838.52	47,427.45
	(b) Goodwill on consolidation *	5,261.77	5,261.77
	(c) Non-current investments	596.46	607.59
	(d) Deferred tax assets (net)	366.39	339.71
	(e) Long-term loans and advances	2,486.14	1,709.91
	(f) Other non-current assets	5,671.59	5,374.97
	Sub-Total - Non-Current Assets	59,220.87	60,721.40
2	Current Assets		
	(a) Current investments	1,389.11	927.15
	(b) Inventories	43,412.52	34,629.26
	(c) Trade receivables	76,754.28	85,822.46
	(d) Cash & cash equivalents	3,016.64	3,150.52
	(e) Short-term loans & advances	12,344.71	10,880.34
	(e) Other Current assets	200.86	629.14
	Sub-Total - Current Assets	1,37,118.12	1,36,038.87
	TOTAL - ASSETS	1,96,338.99	1,96,760.27

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Thacker Butala Desai
Chartered Accountants

REF.No.NVS/

G-21-22, TANARIRI APTS, ASHA BAUG SOCIETY,
NEAR DUDHIA TALAO, NAVSARI- 396 445.

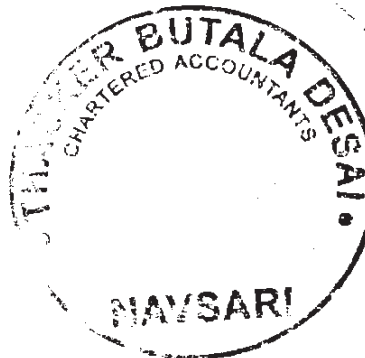
Independent Auditors' Review Report

To,
The Board of Directors of
Elecon Engineering Company Limited
Vallabh Vidyanagar.

We have reviewed the accompanying statement of unaudited financial results of **ELECON ENGINEERING COMPANY LIMITED** for the quarter ended on **30-09-2015** and the year to date results for the period from **01-04-2015 to 30-09-2015**, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/ Committee of Board of Directors. Our responsibility is to issue a report on these financial statements 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with recognition and measurement principals laid down in Accounting Standards 25 "Interim Financial Reporting", specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.



Place : Vallabh Vidyanagar
Date: 28/10/2015

For **Thacker Butala Desai**
Chartered Accountants

A handwritten signature in black ink, appearing to read "M. T. Desai".

M. T. Desai
Partner

M. No. 030911

Firm Regi. No: 110864W

Phone No.

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OFFICE : 02637- 257207

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Thacker Butala Desai
Chartered Accountants

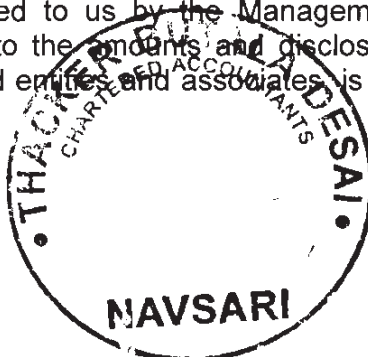
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G-21-22, TANARIRI APTS, ASHA BAUG SOCIETY,
NEAR DUDHIA TALAO, NAVSARI- 396 445.

INDEPENDENT AUDITORS' REVIEW REPORT

TO
THE BOARD OF DIRECTORS OF
ELECON ENGINEERING COMPANY LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **ELECON ENGINEERING COMPANY LIMITED** ("the Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group") and its associates for the quarter and six month ended September 30, 2015 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 6 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. 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 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.
3. We did not review the interim financial statements /information / results of subsidiaries and jointly controlled entities included in the consolidated financial results, whose interim financial statements /information /results reflect total assets(net) of Rs.34,753.80 Lacs for the six month ended September 30, 2015, total revenues of Rs.8,409.57 Lacs and Rs.16,948.99 Lacs for the quarter and six month ended September 30, 2015 respectively and total profit after tax (net) of Rs.151.99 Lacs and Rs.737.15 Lacs for the quarter and six month ended September 30, 2015 respectively as considered in the consolidated financial results. The consolidated financial results also includes the Group's share of profit after tax of Rs.15.52 Lacs and Rs.11.25 Lacs for the quarter and six month ended September 30, 2015 respectively as considered in the consolidated financial results, in respect of one associates, whose interim financial statements have not been reviewed by us. These interim financial statements / information / results have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.



4. Based on our review conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Our report is not qualified in respect of this matter.

5. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the quarter ended September 30, 2015 of the statement, from the details furnished by the Management.

Place : Navsari
Date : 28/10/2015



For **THACKER BUTALA DESAI**
Chartered Accountants

A handwritten signature in black ink, appearing to read "M. T. Desai".

M. T. DESAI
Partner
Membership No. : 030911
Firm Regn. No: 110864W

Elecon's standalone Q2FY16 Net Revenue at Rs. 111.4 Crores; Profit After Tax at Rs. 6.9 Crores, up by 156%

Vadodara, India, October 28th, 2015: Elecon Engineering Company Limited, one of the largest manufacturers of gear in Asia today announced its financial results for the second quarter (Q2FY16) and six months(H1FY16) ended September 30th, 2015.

Performance Highlights

Standalone Q2FY16 review (Y/Y %)

- Total Operating revenue was Rs. 111.4 Crores as compared to Rs. 117.8 Crores during the corresponding period of previous year.
- EBITDA stood at Rs. 27.7 Crores as compared to Rs. 19.2 Crores during the corresponding period of previous year, an increase of 44%.
- EBITDA Margin at 24.9% for Q2FY16 as against 16.3% in Q2FY15, up 858 bps.
- Net profit stood at Rs. 6.9 Crores for Q2FY16 as compared to Rs. 2.7 Crores in the corresponding period of the previous year, an increase of 156%.
- Basic EPS stood at Rs. 0.63 as against Rs. 0.25 in Q2FY15, an increase of 152%

Standalone H1FY16 review (Y/Y %)

- Total Operating revenue was Rs. 209.0 Crores as compared to Rs. 213.7 Crores during the corresponding period of previous year.
- EBITDA stood at Rs. 50.7 Crores as compared to Rs. 36.8 Crores during the corresponding period of previous year, an increase of 38%.
- EBITDA Margin at 24.2% for H1FY16 as against 17.2% in H1FY15, up 701 bps.
- Profit after taxes stood at Rs. 10.5 Crores for H1FY16 as compared to a profit of Rs. 3.9 Crores in the corresponding period of the previous year.
- Basic EPS stood at Rs. 0.96 for H1FY16

Consolidated Q2FY16 (Y/Y %)

- Total Operating revenue was Rs. 283.2 Crores as compared to Rs. 298.4 Crores during the corresponding period of previous year.
- EBITDA stood at Rs. 35.3 Crores as compared to Rs. 25.0 Crores during the corresponding period of previous year, an increase of 41%.
- EBITDA Margin at 12.5 % for Q2FY16 as against 8.4% in Q2FY15, up 410 bps.
- Consolidated Profit after taxes stood at Rs. 1.4 Crores for Q2FY16 as compared to a loss of Rs. 3.0 Crores in the corresponding period of the previous year.
- Basic EPS stood at Rs. 0.13 for Q2FY16

Consolidated H1FY16 (Y/Y %)

- Total Operating revenue was Rs. 540.3 Crores as compared to Rs. 566.2 Crores during the corresponding period of previous year.
- EBITDA stood at Rs. 66.1 Crores as compared to Rs. 51.0 Crores during the corresponding period of previous year, an increase of 30%.
- EBITDA Margin at 12.2% for H1FY16 as against 9.0 % in H1FY15, up 322 bps.
- Consolidated Profit after taxes stood at Rs. 5.5 Crores for H1FY16 as compared to a loss of Rs. 9.7 Crores in the corresponding period of the previous year.
- Basic EPS stood at Rs. 0.51 for H1FY16

Order Book Position (Gear Division)

Particulars (Rs. rCr)	Q2FY16	Q1FY16	Q4FY15	Q3FY15	Q2FY15	Q1FY15
Orders Booked	112	140	152	106	107	118
Order Pending	258	261	234	263	275	287

Commenting on the Company's performance for Q2/H1 2016, **Mr. Prayasvin Patel, CMD said** "We had a fairly decent quarter for the gears business with a significant improvement in the margin profile of the company. The topline remained flat year on year, but the performance has improved on a quarter to quarter basis. The momentum in the infrastructure activity is still to pick up and hence there has been a drop in the orders booked during the quarter, however the order book remains robust for execution in the coming quarters. We continue to encounter challenges in the MHE business with no significant uptake in the core sector. While we have orders in hand, the momentum of project execution at the customer level remains subdued". **He further added** "At the macro level, the signs of economic revival specially the RBI's rate cut and improving IIP Data is giving us hope that the long term initiatives coupled with policy decisions will bring back the capex activity thrust in coming quarters"

Financial Highlights- Q2FY16 & H1FY16 Standalone

Particulars (Rs. Cr.)	Q2FY16	Q2FY15	Y/Y%	Q1FY16	Q/Q%	H1FY16	H1FY15	Y/Y%
Income from Operations								
Net Sales/ Income from Operations	110.5	116.3		96.3		206.9	211.1	
Other Operating Income	0.9	1.5		1.3		2.2	2.6	
Total Income from Operations (Net)	111.4	117.8	-5%	97.6	14%	209.0	213.7	-2%
Expenses								
(a) Cost of Material Consumed	60.4	62.7		67.3		127.6	119.0	
(b) Purchase of stock in trade	-	-		-		-	-	
(c) Changes in inventories/WIP	(11.5)	6.9		(20.4)		(31.9)	2.5	
(d) Employee Benefit Expense	13.8	10.0		9.9		23.7	18.9	
(e) Depreciation & Amortization	11.8	10.6		11.6		23.4	24.6	
(f) Other Expenditure	21.0	19.1		17.9		38.9	36.5	
Total Expenses	95.5	109.2		86.3		181.7	201.5	
EBIT Before Other Income / Exceptional Items	15.9	8.6	85%	11.3	41%	27.3	12.2	124%
Other Income	3.2	2.4		2.3		5.6	8.2	
EBIT Before Exceptional Items	19.2	11.0	75%	13.7	40%	32.9	20.4	61%
Finance Costs	9.1	7.0		7.9		17.0	14.6	
PBT Before Exceptional Items	10.1	3.9	158%	5.7	77%	15.9	5.8	174%
Exceptional Item	-	-		-		-	-	
PBT	10.1	3.9	158%	5.7	77%	15.9	5.8	174%
Tax Expense	3.2	1.3		2.2		5.4	1.9	
PAT	6.9	2.7	156%	3.6	92%	10.5	3.9	169%
Paid-up Equity Share Capital (Face Value of share Rs. 2 each)	21.8	21.8		21.8		21.8	21.8	
Earnings Per Share								
Basic EPS (Not annualized)	0.63	0.25	152%	0.33	91%	0.96	0.36	167%
Diluted EPS (Not annualized)	0.63	0.25	152%	0.33	91%	0.96	0.36	167%

Financial Highlights- Q2FY16 & H1FY16 Consolidated

Particulars (Rs.. Cr.)	Q2FY16	Q2FY15	Y/Y%	Q1FY16	Q/Q%	H1FY16	H1FY15	Y/Y%
Income from Operations								
Net Sales/ Income from Operations	280.7	294.3		253.9		534.6	559.1	
Other Operating Income	2.5	4.0		3.2		5.6	7.1	
Total Income from Operations (Net)	283.2	298.4	-5%	257.1	10%	540.3	566.2	-5%
Expenses								
(a) Cost of Material Consumed	134.1	176.4		178.4		312.5	348.8	
(b) Purchase of stock in trade	(3.0)	6.3		4.8		1.8	8.2	
(c) Changes in inventories/WIP	39.2	10.3		(30.9)		8.3	(4.5)	
(d) Employee Benefit Expense	38.7	36.5		34.9		73.6	75.4	
(e) Depreciation & Amortization	16.6	15.1		16.3		32.9	34.5	
(f) Other Expenditure	38.8	43.8		39.2		78.1	87.3	
Total Expenses	264.4	288.4		242.7		507.1	549.7	
EBIT Before Other Income / Exceptional Items	18.7	9.9	89%	14.5	29%	33.2	16.5	101%
Other Income	0.7	1.3		2.7		3.4	6.0	
EBIT Before Exceptional Items	19.4	11.2	73%	17.1	13%	36.6	22.5	62%
Finance Costs	19.2	16.5		14.2		33.4	34.3	
PBT Before Exceptional Items	0.2	(5.3)	-104%	2.9	-93%	3.1	(11.8)	-127%
Exceptional Item	-	-		-		-	-	
PBT	0.2	(5.3)	-104%	2.9	-93%	3.1	(11.8)	-127%
Tax Expense	3.7	2.0		2.2		6.0	2.8	
PAT	(3.5)	(7.3)	-52%	0.7	-500%	(2.8)	(14.6)	-81%
Share of Profit / (loss) of associates	0.2	(0.0)		(0.0)		0.1	0.0	
Minority interest	4.8	4.3		3.5		8.2	4.9	
PAT after taxes, minority interest and share of profit/ (loss) of associates	1.4	(3.0)	147%	4.1	-66%	5.5	(9.7)	157%
Paid-up Equity Share Capital (Face Value of share Rs. 2 each)	21.8	21.8		21.8		21.8	21.8	
Earnings Per Share								
Basic EPS (Not annualized)	0.13	(0.28)	147%	0.38	-66%	0.51	(0.89)	157%
Diluted EPS (Not annualized)	0.13	(0.28)	147%	0.38	-66%	0.51	(0.89)	157%

Statement of Assets and Liabilities

Particulars (Rs. Cr.)	(Standalone)		(Consolidated)	
	H1FY16	FY15	H1FY16	FY15
Equity and Liability				
(1) Shareholders' Funds				
(a) Share Capital	21.8	21.8	21.8	21.8
(b) Reserves and Surplus	499.1	488.6	517.1	513.8
	520.9	510.4	538.9	535.6
(2) Minority Interest	-	-	27.8	36.0
(3) Non - Current Liabilities				
(a) Long-term borrowings	155.9	89.3	216.0	163.2
(b) Deferred Tax Liabilities	31.2	32.8	34.6	36.1
(c) Other Long term liabilities	1.1	1.1	116.2	113.1
(d) Long-term provisions	2.1	2.4	3.6	3.2
	190.3	125.6	370.4	315.5
(4) Current liabilities				
(a) Short-term borrowings	137.2	138.4	377.5	339.6
(b) Trade payables	196.9	208.7	451.4	515.3
(c) Other current liabilities	52.4	56.3	190.4	204.3
(d) Short-term provisions	2.1	16.3	7.0	21.3
	388.5	419.7	1,026.3	1,080.5
TOTAL	1,099.7	1,055.6	1,963.4	1,967.6
Assets				
(1) Goodwill on Consolidation	-	-	52.6	52.6
(2) Non-current assets				
(a) Fixed assets	313.8	335.6	448.4	474.3
(b) Non-current investments	199.2	199.2	6.0	6.1
(c) Net Deferred Tax Assets	-	-	3.7	3.4
(d) Long-term loans and advances	41.0	15.4	24.9	17.1
(e) Other non-current assets	0.8	0.8	56.7	53.7
	554.8	551.1	592.2	607.2
(3) Current assets				
(a) Current investments	-	-	13.9	9.3
(b) Inventories	178.5	130.2	434.1	346.3
(c) Trade receivables	216.5	226.8	767.5	858.2
(d) Cash and Bank Balances	5.0	3.1	30.2	31.5
(e) Short-term loans and advances	19.5	16.9	123.4	108.8
(f) Other current assets	125.3	127.6	2.0	6.3
	544.9	504.5	1,371.2	1,360.4
Total	1,099.7	1,055.6	1,963.4	1,967.6

About Elecon Engineering Company Ltd.

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 gear; parallel shaft and right angle shaft; helical and spiral level helical gear; fluid geared and flexible couplings, as well as planetary gear boxes.

The Company through its subsidiary Elecon EPC also manufacturers material handling equipment, mining equipment, casting processes amongst other. The company was incorporated in 1960 by Shri Ishwarbhai B Patel and has its headquarter in Vallabh Vidyanagar, Gujarat.

For more info visit: <http://elecon.com>

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

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