

7<sup>th</sup> May, 2019

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 : Audited Financial Results for the quarter & financial year ended on 31<sup>st</sup> March, 2019.**

**Ref : Regulations 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam,

In terms of the subject referred regulations, the Standalone and Consolidated Audited Financial Results for the quarter & year ended on 31<sup>st</sup> March, 2019, duly taken on records and approved by the Board of Directors of the Company at its meeting held on 7<sup>th</sup> May, 2019, are enclosed.

A copy of the following is also enclosed with respect to the aforesaid financial results:

- Audit Report of the Statutory Auditors of the Company;
- A declaration with respect to Auditors' Report with unmodified opinion and
- Press note giving highlights on the performance of the Company.

You are requested to take the same on your records.

Thanking you.

Yours faithfully,  
For Elecon Engineering Company Limited



**Bharti Isarani**  
Company Secretary and 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.**

<b>ELECON ENGINEERING COMPANY LIMITED</b>						
<b>STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2019</b>						
<b>(Amounts in INR Lakhs)</b>						
Sr. no	Particulars	Quarter Ended			Year Ended	
		31 Mar 2019 (Audited) Refer Note 2	31 Dec 2018 (Unaudited)	31 Mar 2018 (Audited) Refer Note 2	31 Mar 2019 (Audited)	31 Mar 2018 (Audited)
1	Revenue from operations (Refer Note 3 and 4)	25,041.03	20,914.75	36,975.12	95,374.56	91,953.72
2	Other income	277.13	950.99	512.23	2,374.30	1,055.72
3	<b>Total Income (1+2)</b>	<b>25,318.16</b>	<b>21,865.74</b>	<b>37,487.35</b>	<b>97,748.86</b>	<b>93,009.44</b>
4	<b>Expenses</b>					
	(a) Cost of materials consumed	12,500.85	10,364.16	13,792.14	44,860.62	37,863.71
	(b) Changes in inventories of finished goods and work-in-progress	(804.68)	(1,028.70)	556.70	(2,421.86)	2,307.25
	(c) Manufacturing expenses and erection charges	4,429.79	4,698.16	10,057.57	21,039.89	20,684.87
	(d) Excise duty expense	-	-	-	-	827.07
	(e) Employee benefits expense	1,514.34	2,045.65	1,291.29	7,286.99	6,629.44
	(f) Finance costs	1,800.98	1,410.90	1,710.24	6,408.15	6,676.46
	(g) Depreciation and amortisation expense	1,086.83	1,107.41	1,341.86	4,357.75	4,807.20
	(h) Other expenses	3,983.87	2,586.56	3,977.49	13,431.66	12,704.77
	<b>Total Expenses</b>	<b>24,511.98</b>	<b>21,184.14</b>	<b>32,727.29</b>	<b>94,963.20</b>	<b>92,500.77</b>
5	<b>Profit before tax (3-4)</b>	<b>806.18</b>	<b>681.60</b>	<b>4,760.06</b>	<b>2,785.66</b>	<b>508.67</b>
6	<b>Tax expenses</b>					
	Current tax	-	-	604.69	-	604.69
	Adjustment of tax relating to earlier periods	-	290.74	(532.28)	345.40	(532.28)
	Deferred tax	568.55	114.46	(329.16)	1,232.97	(372.11)
7	<b>Net Profit for the period after tax (5-6)</b>	<b>237.63</b>	<b>276.40</b>	<b>5,016.81</b>	<b>1,207.29</b>	<b>808.37</b>
8	<b>Other comprehensive income/(expenses) (net of tax)</b>					
	Items that will not be reclassified to profit or loss	(29.70)	4.38	97.35	(16.55)	17.54
	Income tax relating to items that will not be reclassified to profit or loss	11.72	(1.38)	(33.75)	7.28	(6.13)
9	<b>Total comprehensive income for the period (7+8)</b>	<b>219.65</b>	<b>279.40</b>	<b>5,080.41</b>	<b>1,198.02</b>	<b>819.78</b>
10	<b>Paid-up equity share capital</b> (Face value per equity share INR 2/-)	2,244.00	2,244.00	2,244.00	2,244.00	2,244.00
11	<b>Debt capital #</b>				<b>10,000.00</b>	-
12	<b>Other equity</b>				<b>71,757.37</b>	<b>70,829.88</b>
13	<b>Debenture redemption reserve</b>				<b>2,500.00</b>	-
14	<b>Earnings per share (of INR 2/- each) (not annualised)</b>					
	(a) Basic	0.21	0.25	4.47	1.08	0.72
	(b) Diluted	0.21	0.25	4.47	1.08	0.72
15	<b>Debt Equity Ratio</b>				0.64	
16	<b>Debt Service Coverage Ratio</b>				0.85	
17	<b>Interest Service Coverage Ratio</b>				1.55	

# Represents Non convertible debentures



**One-stop destination for bulk Material Handling Plants**

**Ratios has been computed as follows:**

Debt Equity Ratio : Debt / Equity

Debt: Long term borrowings (Current maturity of long term borrowings) + Short term borrowings

Equity : Share capital + Other equity

Debt Service Coverage Ratio : (EBIT-Taxes) / Debt Service

EBIT : Profit Before Tax + Interest on Debt

Debt Services : Interest on Debt + Principal repayment of long term borrowings

Interest Service Coverage Ratio : EBIT / Interest on Debt

**Notes:**

- 1 The above audited standalone financial results for the quarter and year ended 31 March 2019 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 07 May 2019. The statutory auditor have expressed an unqualified opinion. The audit report has been filed with the stock exchange and is available on the Company's website.
- 2 Figures for the quarter ended 31 March, 2019 and corresponding quarter ended in the previous year as reported in these standalone financial results are the balancing figures in respect of the full financial year and the published year-to-date figures up to the end of third quarter of the relevant financial year. Also the figures upto the end of third quarter had only been reviewed and not subjected to audit.
- 3 The Government of India introduced the Goods and Services Tax (GST) with effect from 01 July 2017. Consequently, revenue from operations with effect from 01 July 2017 are net of GST whereas for other periods presented it is gross of Excise Duty (which has been presented separately under 'Total Expenses'). Accordingly, the amounts are not comparable.
- 4 With effect from 01 April 2018, the Company has adopted "Ind AS 115 Revenue from contracts with customers" using the cumulative effect method and accordingly these standalone financial results are prepared in accordance with the recognition and measurement principles laid down in Ind AS 115. The adoption of the standard did not have a material impact to the standalone financial results of the Company.
- 5 A Scheme of Amalgamation ('the Scheme') between the Company and its wholly owned subsidiary Elecon Transmission International Limited, Mauritius ('ETIL') has been approved on 01 November 2018 and 31 October 2018 by the Board of Directors of the Company and ETIL respectively. Appointed date of the Scheme is 01 April 2019 and the Company has filed the Scheme with various regulatory authorities including the stock exchanges. Considering the Scheme's appointed date and pendency of regulatory approvals, no impact of the Scheme is required to be given in the standalone financial results for year ended 31 March 2019.
- 6 As per "Ind AS 108 - Operating Segments", the Company has reported segment information under two segments i.e. 1) Material Handling Equipments and 2) Transmission Equipments.
- 7 The board of Directors has recommended a dividend at the rate of 0.20 per share of face value of Rs. 2.00 each aggregating Rs. 270.53 Lakhs (including Dividend distribution tax of Rs.46.13 Lakhs) for the year ended 31st March, 2019.



AUDITED STANDALONE SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND YEAR ENDED 31 MARCH 2019					
Particulars	Quarter Ended			Year Ended	Year Ended
	31 Mar 2019	31 Dec 2018	31 Mar 2018	31 Mar 2019	31 Mar 2018
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
<b>(Amounts in INR Lakhs)</b>					
<b>1. SEGMENT REVENUE</b>					
(a) Material Handling Equipment	8,656.17	7,852.77	14,208.24	34,513.11	38,254.50
(b) Transmission Equipment	16,384.86	13,061.98	22,766.88	60,861.45	53,699.22
<b>Net Sales/Income from Operations</b>	<b>25,041.03</b>	<b>20,914.75</b>	<b>36,975.12</b>	<b>95,374.56</b>	<b>91,953.72</b>
<b>2. SEGMENT RESULTS PROFIT (+)/LOSS(-) BEFORE TAX &amp; INTEREST</b>					
(a) Material Handling Equipment	(748.59)	(17.36)	144.73	(396.87)	(1,657.34)
(b) Transmission Equipment	3,296.78	2,086.99	6,215.67	9,976.70	8,537.23
<b>Total</b>	<b>2,548.19</b>	<b>2,069.63</b>	<b>6,360.40</b>	<b>9,579.83</b>	<b>6,879.89</b>
<b>Less:</b>					
i) Finance Cost	1,800.98	1,410.90	1,710.24	6,408.15	6,676.46
ii) Other unallocated corporate overheads	70.72	12.71	19.43	672.75	133.48
iii) Unallocable income	(129.69)	(35.58)	(129.33)	(286.73)	(438.72)
<b>Total Profit before Tax</b>	<b>806.18</b>	<b>681.60</b>	<b>4,760.06</b>	<b>2,785.66</b>	<b>508.67</b>
<b>3. SEGMENT ASSETS</b>					
(a) Material Handling Equipment	60,765.51	62,780.71	68,305.29	60,765.51	68,305.29
(b) Transmission Equipment	115,340.44	111,875.41	109,282.05	115,340.44	109,282.05
(c) Un allocated	18,605.52	18,486.31	17,886.95	18,605.52	17,886.95
<b>Total</b>	<b>194,711.47</b>	<b>193,142.43</b>	<b>195,474.29</b>	<b>194,711.47</b>	<b>195,474.29</b>
<b>4. SEGMENT LIABILITIES</b>					
(a) Material Handling Equipment	40,408.66	45,941.24	50,823.55	40,408.66	50,823.55
(b) Transmission Equipment	70,491.68	63,425.65	61,734.68	70,491.68	61,734.68
(c) Un allocated	9,809.76	9,993.78	9,842.18	9,809.76	9,842.18
<b>Total</b>	<b>120,710.10</b>	<b>119,360.67</b>	<b>122,400.41</b>	<b>120,710.10</b>	<b>122,400.41</b>
<b>5. NET CAPITAL EMPLOYED</b>	<b>74,001.37</b>	<b>73,781.76</b>	<b>73,073.88</b>	<b>74,001.37</b>	<b>73,073.88</b>



Place : Vallabh Vidyanagar  
Date : 07 May, 2019



For and on behalf of Board of Directors



Prayashvin B. Patel  
Chairman & Managing Director  
DIN : 00037394

**STANDALONE STATEMENT OF ASSETS AND LIABILITIES**

(Amounts in INR Lakhs)

Particulars	(Amounts in INR Lakhs)	
	As at 31 Mar 2019 (Audited)	As at 31 Mar 2018 (Audited)
<b>ASSETS</b>		
<b>I. Non-current assets</b>		
(a) Property, plant and equipment	67,136.28	70,796.27
(b) Capital work-in-progress	460.93	108.20
(c) Investment property	273.37	287.75
(d) Intangible assets	612.99	532.79
(e) Intangible assets under development	24.50	24.50
(f) Financial assets		
(i) Investments	16,022.18	16,039.32
(ii) Loans	52.43	117.01
(iii) Other financial assets	59.45	1.51
(g) Non-current tax assets (net)	2,000.14	1,764.41
(h) Other non-current assets	2,331.90	2,370.11
	<b>88,974.17</b>	<b>92,041.87</b>
<b>II. Current assets</b>		
(a) Inventories	23,882.56	20,064.63
(b) Financial assets		
(i) Trade receivables	54,669.81	62,311.80
(ii) Cash and cash equivalents	352.75	831.70
(iii) Bank balance other than (ii) above	455.91	2,470.72
(iv) Loans	484.06	581.62
(v) Other financial assets	19,629.23	10,198.59
(c) Other current assets	6,262.98	6,973.36
	<b>105,737.30</b>	<b>103,432.42</b>
<b>Total Assets</b>	<b>194,711.47</b>	<b>195,474.29</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	2,244.00	2,244.00
(b) Other equity	71,757.37	70,829.88
	<b>74,001.37</b>	<b>73,073.88</b>
<b>LIABILITIES</b>		
<b>I. Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	21,694.00	14,458.11
(b) Non Current provisions	450.79	421.84
(c) Deferred tax liabilities (net)	8,011.67	6,785.98
	<b>30,156.46</b>	<b>21,665.93</b>
<b>II. Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	23,429.46	31,250.67
(ii) Trade payables		
Total outstanding dues of micro and small enterprises	7,791.33	4,768.97
Total outstanding dues of other than micro and small enterprises	26,436.68	32,218.26
(iii) Other financial liabilities	17,949.48	13,345.47
(b) Other current liabilities	11,702.92	16,429.13
(c) Provisions	1,549.09	1,364.48
(d) Current tax liabilities (net)	1,694.68	1,357.50
	<b>90,553.64</b>	<b>100,734.48</b>
<b>Total Liabilities</b>	<b>120,710.10</b>	<b>122,400.41</b>
<b>Total Equity and Liabilities</b>	<b>194,711.47</b>	<b>195,474.29</b>


 Place : Vallabh Vidyanagar  
 Date : 07 May, 2019


For and on behalf of Board of Directors

  
 Pravasvin B. Patel  
 Chairman & Managing Director  
 DIN : 00037394

# B S R & Co. LLP

Chartered Accountants

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Near Vodafone House  
Prahaldnagar, Corporate Road,  
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India

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## Independent Auditors' Report on Standalone Annual Financial Results of Elecon Engineering Company Limited pursuant to Regulation 33 and Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To Board of Directors of  
Elecon Engineering Company Limited

We have audited the standalone annual financial results ("the Statement") of Elecon Engineering Company Limited ("the Company") for the year ended 31 March 2019, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Attention is drawn to the fact that the figures for last quarter ended 31 March 2019 and the corresponding quarter ended in the previous year as reported in these standalone annual financial results, are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements and reviewed quarterly standalone financial results which are the responsibility of the Company's Management. Our responsibility is to express an opinion on these standalone annual financial results based on our audit of the standalone annual financial statements which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the standalone annual financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as standalone financial results. An audit also includes assessing the accounting principles used and significant estimates made by the Management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 and Regulation 52 of the Listing Regulations in this regard; and
- (ii) give a true and fair view of the net profit and other comprehensive income and other financial information for the year ended 31 March 2019.

For B S R & Co. LLP  
Chartered Accountants

Firm's Registration No: 101248W/W-100022



Nirav Patel  
Partner

Vallabh Vidyanagar  
7 May 2019

B S R & Co (a partnership firm with  
Registration No. BA61223) converted into  
B S R & Co. LLP (a Limited Liability, Partnership  
with LLP Registration No. AAB-9181)  
with effect from October 14, 2013

Membership No: 113327  
Registered Office:  
5th Floor, Lodha Excelus  
Apollo Mills Compound  
N. M. Joshi Marg, Mahalaxmi  
Mumbai - 400 011, India

ELECON ENGINEERING COMPANY LIMITED						
STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2019						
(Amounts in INR Lakhs)						
Sr. No.	Particulars	Quarter Ended			Year Ended	
		31 Mar 2019 (Audited) Refer Note 2	31 Dec 2018 (Unaudited)	31 Mar 2018 (Audited) Refer Note 2	31 Mar 2019 (Audited)	31 Mar 2018 (Audited)
1	Revenue from operations (Refer Note 3 and 4)	32,623.90	27,264.09	43,714.38	122,312.87	118,850.06
2	Other income	245.38	1,121.77	260.33	6,727.95	547.38
3	<b>Total Income (1+2)</b>	<b>32,869.28</b>	<b>28,385.86</b>	<b>43,974.71</b>	<b>129,040.82</b>	<b>119,397.44</b>
4	<b>Expenses</b>					
	(a) Cost of materials consumed	13,738.61	15,078.43	15,598.85	57,821.86	52,332.16
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2,174.41	(2,556.10)	2,315.79	(1,310.11)	2,824.18
	(c) Manufacturing expenses and erection charges	4,517.86	4,778.82	10,067.54	21,366.47	20,959.17
	(d) Excise duty	-	-	-	-	827.07
	(e) Employee benefits expense	3,089.13	3,877.16	2,966.28	13,887.31	13,751.73
	(f) Finance costs	1,996.42	1,737.61	1,764.21	7,297.10	7,434.03
	(g) Depreciation and amortisation expense	1,174.68	1,199.52	1,464.42	4,789.25	5,292.32
	(h) Other expenses	4,651.23	3,605.72	4,898.73	16,749.01	15,685.23
	<b>Total Expenses</b>	<b>31,342.34</b>	<b>27,721.16</b>	<b>39,075.82</b>	<b>120,600.89</b>	<b>119,105.90</b>
5	<b>Profit before share in profit of associate and tax (3-4)</b>	<b>1,526.94</b>	<b>664.70</b>	<b>4,898.89</b>	<b>8,439.93</b>	<b>291.54</b>
6	Share in profit of associate (net of tax)	131.27	121.25	141.84	385.89	270.42
7	<b>Profit before tax (5+6)</b>	<b>1,658.21</b>	<b>785.95</b>	<b>5,040.73</b>	<b>8,825.82</b>	<b>561.96</b>
8	<b>Tax expenses</b>					
	Current tax	138.69	82.02	498.32	300.82	650.34
	Adjustment of tax relating to earlier periods	(0.42)	290.74	(532.28)	344.98	(532.28)
	Deferred tax	506.51	108.96	(263.33)	1,169.10	(304.60)
9	<b>Net Profit for the period after tax (7-8)</b>	<b>1,013.43</b>	<b>304.23</b>	<b>5,338.02</b>	<b>7,010.92</b>	<b>748.50</b>
10	Non-controlling interest	-	-	-	-	-
11	<b>Net Profit after tax and non controlling interest (9-10)</b>	<b>1,013.43</b>	<b>304.23</b>	<b>5,338.02</b>	<b>7,010.92</b>	<b>748.50</b>
12	<b>Other comprehensive income/(expenses) (net of tax)</b>					
	(i) Items that will not be reclassified to profit or loss	(491.29)	4.38	(341.71)	(478.14)	(421.52)
	Tax relating to items that will not be reclassified to profit or loss	11.94	(1.38)	33.75	7.50	61.37
	(ii) Items that will be reclassified to profit or loss	(109.66)	(745.70)	(203.59)	(350.51)	(189.07)
	Tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
13	<b>Total comprehensive income/(expenses) for the period (11+12)</b>	<b>424.42</b>	<b>(438.47)</b>	<b>4,826.47</b>	<b>6,189.77</b>	<b>199.28</b>
14	<b>Paid-up equity share capital</b> (Face Value per equity share INR 2/-)	2,244.00	2,244.00	2,244.00	2,244.00	2,244.00
15	<b>Debt capital #</b>	-	-	-	10,000.00	-
16	<b>Other equity</b>	-	-	-	74,562.44	68,643.19
17	<b>Debenture redemption reserve</b>	-	-	-	2,500.00	-
18	<b>Earnings per share (of INR. 2/- each) (not annualised)</b>					
	(a) Basic	0.90	0.27	4.76	6.25	0.67
	(b) Diluted	0.90	0.27	4.76	6.25	0.67
19	Debt Equity Ratio	-	-	-	0.71	-
20	Debt Service Coverage Ratio	-	-	-	2.11	-
21	Interest Service Coverage Ratio	-	-	-	2.42	-

# Represents Non convertible debentures



**One-stop destination for bulk Material Handling Plants**

**Ratios have been computed as follows:**

- a) Debt Equity Ratio : Debt / Equity  
Debt : Long term borrowings + Current maturity of long term borrowings + Short term borrowings  
Equity : Share capital + Other equity
- b) Debt Service Coverage Ratio : (EBIT-Taxes) / Debt Services  
EBIT : Profit Before Tax + Interest on Debt  
Debt Services : Interest on Debt + Principal repayment of long term borrowings
- c) Interest Service Coverage Ratio : EBIT / Interest on Debt

**Notes:**

- 1 The above audited consolidated financial results for the quarter and year ended 31 March 2019 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 07 May 2019. The statutory auditors have expressed an unqualified opinion. The audit report has been filed with the stock exchange and is available on the Company's website.
- 2 Figures for quarter ended 31 March, 2019 and corresponding quarter ended in the previous year as reported in these consolidated financial results are the balancing figures in respect of the full financial year and the published year-to-date figures up to the end of third quarter of the relevant financial year. Also the figures upto the end of third quarter had only been reviewed and not subjected to audit.
- 3 The Government of India introduced the Goods and Services Tax (GST) with effect from 01 July 2017. Consequently, revenue from operations with effect from 01 July 2017 are net of GST whereas for other periods presented it is gross of Excise Duty (which has been presented separately under 'Total Expenses'). Accordingly, the amounts are not comparable.
- 4 With effect from 01 April 2018, the Group has adopted "Ind AS 115-Revenue from contracts with customers", using the cumulative effect method and accordingly these consolidated financial results are prepared in accordance with the recognition and measurement principles laid down in Ind AS 115. The adoption of the standard did not have a material impact to the audited consolidated financial results of the Group.
- 5 A Scheme of Amalgamation ('the Scheme') between the Company and its wholly owned subsidiary Elecon Transmission International Limited, Mauritius ('ETIL') has been approved on 01 November 2018 and 31 October 2018 by the Board of Directors of the Company and ETIL respectively. Appointed date of the Scheme is 01 April 2019 and the Company has filed the Scheme with various regulatory authorities including the stock exchanges. Considering the Scheme's appointed date and pendency of regulatory approvals, no impact of the Scheme is required to be given in the audited consolidated financial results for the year ended 31 March 2019.
- 6 As per "Ind AS 108- Operating Segments", the Group has reported segment information under two segments 1) Material Handling Equipments and 2) Transmission Equipments.
- 7 These audited consolidated financial results have been prepared in accordance with Ind AS 110 "Consolidated Financial Statement" and Ind AS 28 "Investment in Associates and Joint Ventures". Business combination are accounted in accordance with Ind AS 103 "Business Combinations". Any goodwill arising on business combination is not amortised but tested for impairment annually.
- 8 Other comprehensive income mainly comprises of remeasurement of defined benefit plan and exchange differences on translation of financial statements of foreign operations.
- 9 'Other income' for year ended 31 March 2019 includes INR 3,670.33 Lakhs of profit on sale of immovable property by an overseas subsidiary.
- 10 The board of Directors has recommended a dividend at the rate of 0.20 per share of face value of Rs. 2.00 each aggregating Rs. 270.53 Lakhs (including Dividend distribution tax of Rs.46.13 Lakhs) for the year ended 31st March, 2019.





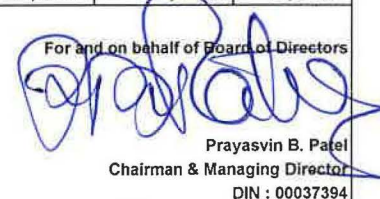
## AUDITED CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND YEAR ENDED 31 MARCH 2019

(Amounts in INR Lakhs)

Particulars	Quarter Ended			Year Ended	
	31 Mar 2019 (Audited)	31 Dec 2018 (Unaudited)	31 Mar 2018 (Audited)	31 Mar 2019 (Audited)	31 Mar 2018 (Audited)
<b>1. SEGMENT REVENUE</b>					
(a) Material Handling Equipment	8,656.17	7,852.77	14,208.24	34,513.11	38,254.50
(b) Transmission Equipment	23,967.73	19,411.32	29,506.14	87,799.76	80,595.56
<b>Net Sales/Income from Operations</b>	<b>32,623.90</b>	<b>27,264.09</b>	<b>43,714.38</b>	<b>122,312.87</b>	<b>118,850.06</b>
<b>2. SEGMENT RESULTS(PROFIT)(+)/LOSS(-) BEFORE TAX &amp; INTEREST FROM EACH SEGMENT</b>					
(a) Material Handling Equipment	(748.59)	(17.36)	144.73	(396.87)	(1,657.34)
(b) Transmission Equipment	4,294.51	2,420.15	6,536.04	16,168.85	9,482.33
<b>Total</b>	<b>3,545.92</b>	<b>2,402.79</b>	<b>6,680.77</b>	<b>15,771.98</b>	<b>7,824.99</b>
<b>Less:</b>					
i) Finance cost	1,996.42	1,737.61	1,764.21	7,297.10	7,434.03
ii) Other unallocated corporate overheads	144.99	28.51	43.92	241.85	205.28
iii) Unallocable income	(253.70)	(149.28)	(168.09)	(592.79)	(376.28)
<b>Total Profit before tax</b>	<b>1,658.21</b>	<b>785.95</b>	<b>5,040.73</b>	<b>8,825.82</b>	<b>561.96</b>
<b>3. SEGMENT ASSETS</b>					
(a) Material Handling Equipment	60,765.51	62,780.71	68,305.29	60,765.51	68,305.29
(b) Transmission Equipment	148,155.17	144,707.94	138,661.72	148,155.17	138,661.72
(c) Unallocated	8,028.69	8,531.19	9,506.27	8,028.69	9,506.27
<b>Total</b>	<b>216,949.37</b>	<b>216,019.84</b>	<b>216,473.28</b>	<b>216,949.37</b>	<b>216,473.28</b>
<b>4. SEGMENT LIABILITIES</b>					
(a) Material Handling Equipment	40,408.66	45,941.24	50,823.55	40,408.66	50,823.55
(b) Transmission Equipment	89,862.06	83,081.66	85,957.73	89,862.06	85,957.73
(c) Unallocated	9,872.22	10,613.18	8,804.81	9,872.22	8,804.81
<b>Total</b>	<b>140,142.94</b>	<b>139,636.08</b>	<b>145,586.09</b>	<b>140,142.94</b>	<b>145,586.09</b>
<b>5.NET CAPITAL EMPLOYED</b>	<b>76,806.44</b>	<b>76,383.76</b>	<b>70,887.19</b>	<b>76,806.44</b>	<b>70,887.19</b>

 Place : Vallabh Vidyanagar  
 Date : 07 May 2019


For and on behalf of Board of Directors



 Prayasvin B. Patel  
 Chairman & Managing Director

DIN : 00037394

## CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

Particulars	As at March 31, 2019 (Audited)	As at March 31, 2018 (Audited)
<b>ASSETS</b>		
<b>I. Non-current assets</b>		
(a) Property, plant and equipment	67,768.66	71,008.94
(b) Capital work-in-progress	523.36	116.50
(c) Investment properties	273.37	287.76
(d) Goodwill	9,618.55	9,807.41
(e) Intangible assets	2,223.31	2,271.75
(f) Intangible assets under development	24.50	24.50
(g) Financial assets		
(i) Investments	5,397.95	5,085.99
(ii) Loans	52.43	117.01
(iii) Other financial assets	59.46	1.52
(h) Deferred tax assets (net)	443.33	872.09
(i) Non-current tax assets (net)	2,000.14	1,764.41
(j) Other non-current assets	2,331.89	2,370.11
	<u>90,716.95</u>	<u>93,727.99</u>
<b>II. Current assets</b>		
(a) Inventories	31,922.56	28,512.06
(b) Financial assets		
(i) Trade receivables	59,281.37	67,124.30
(ii) Cash and cash equivalents	5,604.25	4,679.70
(iii) Bank balance other than (ii) above	1,954.73	3,596.60
(iv) Loans	484.06	581.62
(iv) Other financial assets	19,637.63	10,212.54
(c) Other current assets	7,347.81	8,038.47
	<u>126,232.41</u>	<u>122,745.29</u>
<b>Total Assets</b>	<u><u>216,949.36</u></u>	<u><u>216,473.28</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	2,244.00	2,244.00
(b) Other equity	74,562.44	68,643.19
	<u>76,806.44</u>	<u>70,887.19</u>
<b>LIABILITIES</b>		
<b>I. Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	24,385.65	18,697.12
(b) Long-term provisions	5,640.47	5,460.58
(c) Deferred tax liabilities (net)	8,074.10	7,333.69
(d) Other non-current liabilities	26.24	56.29
	<u>38,126.46</u>	<u>31,547.68</u>
<b>II. Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	28,143.24	35,740.32
(ii) Trade payables	40,101.65	50,927.03
(iii) Other financial liabilities	17,949.48	7,548.91
(b) Other current liabilities	12,453.46	16,982.97
(c) Current tax liabilities (net)	1,694.68	1,481.68
(d) Short-term provisions	1,673.95	1,357.50
	<u>102,016.46</u>	<u>114,038.41</u>
<b>Total Liabilities</b>	<u>140,142.92</u>	<u>145,586.09</u>
<b>Total Equity and Liabilities</b>	<u><u>216,949.36</u></u>	<u><u>216,473.28</u></u>


 Place : Vallabh Vidyanagar  
 Date : 07 May, 2019


For and on behalf of Board of Directors

  
 Prayasvin B. Patel  
 Chairman & Managing Director  
 DIN : 00037394

# B S R & Co. LLP

Chartered Accountants

903 Commerce House V,  
Near Vodafone House  
Prahaldnagar, Corporate Road,  
Ahmedabad 380 051  
India

Telephone +91 (79) 4014 4800  
Fax +91 (79) 4014 4850

## **Independent Auditors' Report on Consolidated Annual Financial Results of Elecon Engineering Company Limited pursuant to Regulation 33 and Regulation 52 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To Board of Directors of  
Elecon Engineering Company Limited

We have audited the consolidated annual financial results ("the Statement") of Elecon Engineering Company Limited ("the Company"), its subsidiaries (collectively referred to as "the Group") and its associates (listed in Annexure-I) for the year ended 31 March 2019, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Attention is drawn to the fact that the figures for the last quarter ended 31 March 2019 and the corresponding quarter ended in the previous year as reported in these consolidated annual financial results are the balancing figures between consolidated audited figures in respect of the full financial year and the published year to date consolidated figures upto the end of the third quarter of the relevant financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

These consolidated annual financial results have been prepared from consolidated annual financial statements and reviewed quarterly consolidated financial results which are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated annual financial results based on our audit of such consolidated annual financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated annual financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as consolidated financial results. An audit also includes assessing the accounting principles used and significant estimates made by the Company's management. We believe that our audit provides a reasonable basis for our opinion.

2

**Elecon Engineering Company Limited**

**Independent Auditors' Report on Consolidated Annual Financial Results of Elecon Engineering Company Limited pursuant to Regulation 33 and Regulation 52 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued)**

Page 2 of 4

- (a) We did not audit the financial statements of 12 subsidiaries included in the consolidated annual financial results, whose annual financial statements reflect total assets of INR 31,784.74 Lakhs as at 31 March 2019 as well as the total revenue of INR 30,742.61 Lakhs for the year ended on that date. The consolidated annual financial results also include the Group's share of net profit (and other comprehensive income) of INR 385.89 Lakhs for the year ended 31 March 2019 in respect of one associate. These annual financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated annual financial results, to the extent they have been derived from such annual financial statements is based solely on the reports of such other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's Management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's Management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the Management and audited by us.

- (b) The consolidated annual financial results include the Group's share of net profit (and other comprehensive income) of INR Nil for the year ended 31 March 2019, as considered in the consolidated annual financial results, in respect of 3 associates, whose financial statements have not been audited by us or by other auditors. These unaudited financial statements have been furnished to us by the Management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these associates, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these unaudited financial statements are not material to the Group.

Our opinion on the consolidated annual financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.



**Elecon Engineering Company Limited**

**Independent Auditors' Report on Consolidated Annual Financial Results of Elecon Engineering Company Limited pursuant to Regulation 33 and Regulation 52 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued)**

*Page 3 of 4*

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reports of other auditors on separate financial statements of the subsidiaries and associate as aforesaid, these consolidated annual financial results:

- (i) include the annual financial results of the entities mentioned in Annexure-I (list of entities included in consolidation);
- (ii) have been presented in accordance with the requirements of Regulation 33 and Regulation 52 of the Listing Regulations in this regard; and
- (iii) give a true and fair view of the net consolidated profit and other comprehensive income and other financial information for the year ended 31 March 2019.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022



**Nirav Patel**

*Partner*

Membership No: 113327

Vallabh Vidynagar

7 May 2019

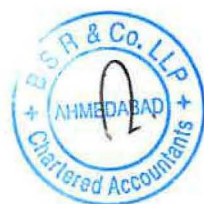
**Elecon Engineering Company Limited**

**Independent Auditors' Report on Consolidated Annual Financial Results of Elecon Engineering Company Limited pursuant to Regulation 33 and Regulation 52 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued)**

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**Annexure-I****List of entities included in the consolidated annual financial results**

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



7<sup>th</sup> May, 2019

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 : Declaration with respect to Audit Report with unmodified opinion to the Audited Financial Results for the financial year ended 31<sup>st</sup> March, 2019**

Dear Sir/Madam,

We hereby declare that the Statutory Auditors M/s. B S R & Co. LLP, Chartered Accountants (Firm Reg. No. 101248W/W100022) have issued the Audit Report with Unmodified Opinion on the Standalone and Consolidated Audited Financial Results for the quarter and year ended on 31<sup>st</sup> March, 2019.

The above declaration is made in pursuant to Regulations 33 and 52 of the SEBI (LODR) Regulations, 2015, as amended.

You are requested to take the same on your records.

Thanking you.

Yours faithfully,  
For Elecon Engineering Company Limited

  
Kamlesh Shah  
Chief Financial Officer



Cranes



Rubber Industry



Marine Industry



Plastic Industry



Power Industry



Steel Industry



Sugar Industry



Mining



Cement Industry

**Gearing industries. Gearing economies.**

# Elecon Engineering announces Q4FY19 Results

## CONSOLIDATED Q4FY19 NET REVENUE AT RS. 326.2 CRORES

**Vallabh Vidyanagar, India, May 7<sup>th</sup>, 2019-** 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 **Fourth Quarter (Q4FY19) and Full year (FY19) period ended March 31st, 2019.**

### Financial Performance

#### Standalone Q4FY19 Review

- Total Operating income was Rs. 250.4 Crores for Q4FY19 as compared to Rs. 369.8 Crores in the corresponding period of the previous year, reflecting a decline of 32.3%
- EBITDA stood at Rs. 36.9 Crores as compared to Rs. 78.1 Crores during the corresponding period of previous year, a decline of 52.7%
- EBITDA Margin at 14.8% for Q4FY19 as against 21.1% in Q4FY18
- Profit Before Tax stood at Rs. 8.1 Crores for Q4FY19 as compared to Rs 47.6 Crores in the corresponding period of the previous year, a decline of 83.1%
- Net Profit stood at Rs. 2.4 Crores for Q4FY19 as compared to a Profit of Rs. 50.2 Crores in the corresponding period of the previous year, a decline of 95.3%

#### CONSOLIDATED Q4FY19 REVIEW

- Total Operating income was Rs. 326.2 Crores for Q4FY19 as compared to Rs. 437.1 Crores in the corresponding period of the previous year, reflecting a decline of 25.4%
- EBITDA stood at Rs. 47.0 Crores as compared to Rs. 81.3 Crores during the corresponding period of previous year, a decline of 42.2%
- EBITDA Margin at 14.4% for Q4FY19 as against 18.6% in Q4FY18
- Profit Before Tax stood at Rs. 16.6 Crores for Q4FY19 as compared to Rs 50.4 Crores in the corresponding period of the previous year, a decline of 67.1%
- Net Profit stood at Rs. 10.1 Crores for Q4FY19 as compared to Rs. 53.4 Crores in the corresponding period of the previous year, a decline of 81.1%

#### Standalone FY19 Review

- Total Operating income was Rs. 953.7 Crores for FY19 as compared to Rs. 919.5 Crores in the corresponding period of the previous year, reflecting a growth of 3.7%
- EBITDA stood at Rs. 135.5 Crores as compared to Rs. 119.9 Crores during the corresponding period of previous year, an increase of 13.0%
- EBITDA Margin at 14.2% for FY19 as against 13.0% in FY18



- Profit Before Tax stood at Rs. 27.9 Crores for FY19 as compared to Rs 5.1 Crores in the corresponding period of the previous year, an increase of 447.6%
- Net Profit stood at Rs. 12.1 Crores for FY19 as compared to Rs. 8.1 Crores in the corresponding period of the previous year, an increase of 49.3%

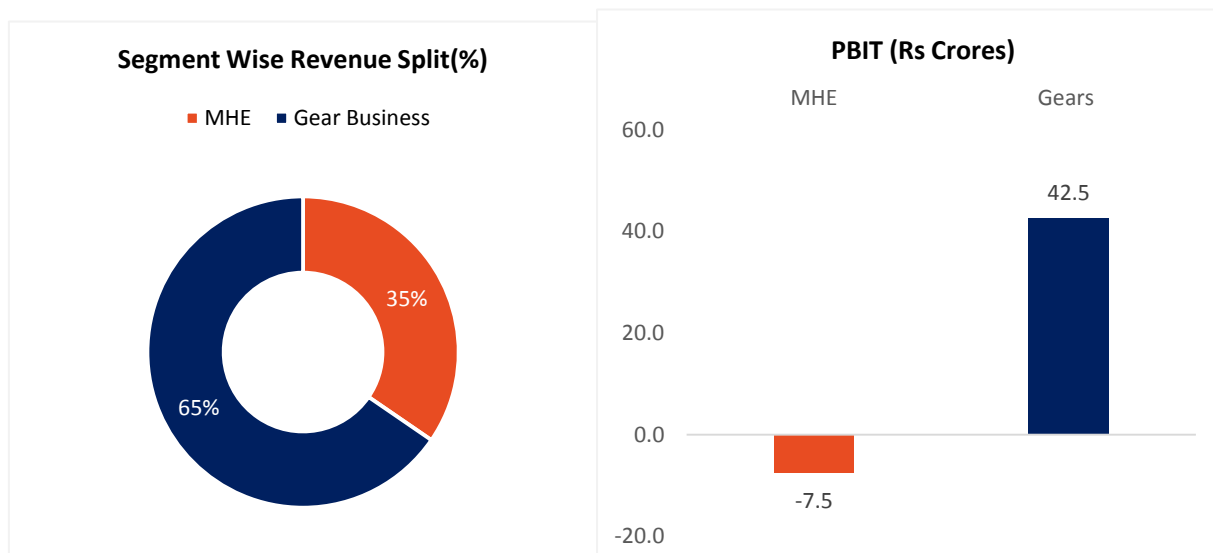
#### CONSOLIDATED FY19 REVIEW

- Total Operating income was Rs. 1,223.1 Crores for FY19 as compared to Rs. 1,188.5 Crores in the corresponding period of the previous year, reflecting a growth of 2.9%
- EBITDA stood at Rs. 205.3 Crores as compared to Rs. 130.2 Crores during the corresponding period of previous year, an increase of 57.7%
- EBITDA Margin at 16.8% for FY19 as against 11.0% in FY18
- Profit Before Tax stood at Rs. 88.3 Crores for FY19 as compared to Rs 5.6 Crores in the corresponding period of the previous year, an increase of 1470.5%
- Net Profit stood at Rs. 70.1 Crores for FY19 as compared to Rs. 7.5 Crores in the corresponding period of the previous year, an increase of 834.7%

#### Management Comments

Commenting on the Company’s performance for Q4FY19, **Mr. Prayasvin Patel, CMD** said *“We are pleased to report healthy performance in the quarter driven by improved demand and better product mix. Order inflow continues to remain robust across our end segments like steel and cement sector. Owing to our continued focus on strategies to create long-term value for shareholders, we witnessed decline in debt and reduction in customer receivables and trade payables during the year. We continue to streamline existing operations which has led to improvement in EBITDA margins and overall performance. We are positive on the overall demand outlook and remain optimistic on the long-term prospects of the Company.”*

#### Segment Wise Performance (Q4FY19)



## Performance of the Overseas subsidiary

During the quarter, our overseas business under Benzlers and Radicon registered revenue of Rs. 78.50 Crores with EBITDA of Rs. 8.78 Crores.

## Order Book and Outlook

During the quarter, we booked orders worth Rs. 150.88 Crores in gear business. This translates to an order backlog of Rs. 716.98 Crores for execution in the near to medium term. In the material handling business, we closed orders worth Rs. 32.73 Crores. The pending order book for MHE business now stands at Rs. 403.41 Crores.

## 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 six 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](http://www.elecon.com)

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

### **Kamlesh Shah**

Elecon Engineering Company Limited

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

E: [kamleshshah@elecon.com](mailto:kamleshshah@elecon.com)

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*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.*