



20<sup>th</sup> October, 2023

To,

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

**Sub : Investor Presentation of the Investor Call to be held on 23<sup>rd</sup> October, 2023**

**Ref : Regulation 30 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015/**

Dear Sir/Madam,

With reference to the subject referred Regulation and in continuation to our letter dated 17<sup>th</sup> October, 2023 regarding schedule of Investor Call, please find enclosed herewith the Investor Presentation for Q2 for the Financial Year 2023-24. The same is also available on the website of the Company at <https://www.elecon.com/investors/presentations-made-to-analysts-or-institutional-investors>.

You are requested to take the same on your records.

Thanking you.

Yours faithfully,

**For Elecon Engineering Company Limited,**

**Bharti Isarani**  
Company Secretary & Compliance Officer

Encl.: As above



Cranes



Rubber Industry



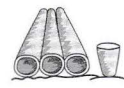
Marine Industry



Plastic Industry



Power Industry



Steel Industry



Sugar Industry



Mining



Cement Industry

**Gearing industries. Gearing economies.**

ONE OF ASIA'S LARGEST INDUSTRIAL GEAR SOLUTION COMPANY

**ELECON ENGINEERING COMPANY LIMITED**

Investor Presentation - Q2 & H1FY24



This presentation and the accompanying slides (the “Presentation”), which have been prepared by **Elecon Engineering Company Limited** (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment what so ever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.

All Maps used in the presentation are not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness.

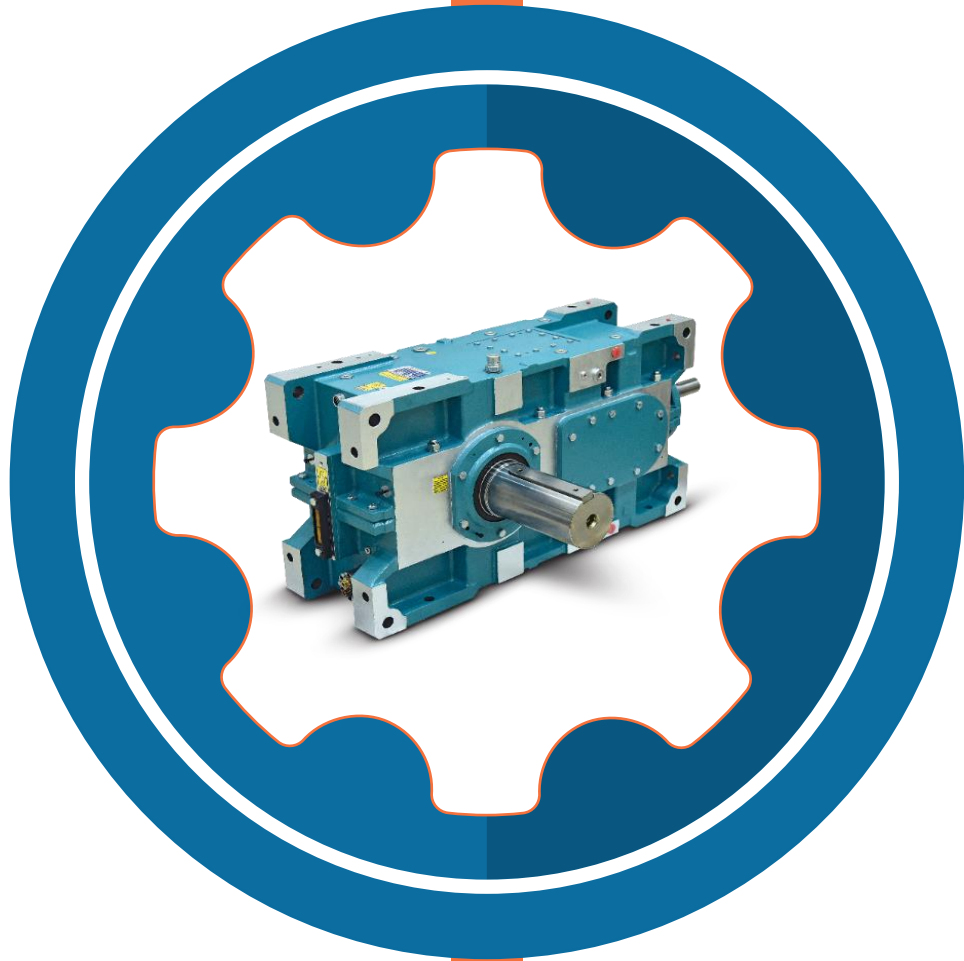
# Safety and Wellness

Period	Minor	Major	Fatal
Q2 FY24	0	0	0
Q1 FY24	1	0	0
<b>Last 3 Financial Years</b>			
2022-23	0	0	0
2021-22	1	0	0
2020-21	0	0	0



At Elecon, safety and well-being take precedence as our utmost concern. Over the last three years, we **have not experienced any Major and Fatal incidents.** Our commitment involves continuous efforts to **eliminate even minor accidents through frequent safety training,** striving for a zero-accident environment.





## COMPANY OVERVIEW

---

# Engineering Co providing Innovation led Technology Solutions



Elecon India



Radicon UK



Benzlers Sweden

**First in India** to manufacture sophisticated equipment for bulk Material Handling with product range that caters multiple industrial sectors in India

**State of art manufacturing facilities with DSIR approved In-House R&D facility** for new product development and separate Engineering facility to upgrade existing product

One of the largest manufacturer of Gear Solution providers in Asia & Material Handling Equipments with **seven decades of experience and expertise**

**Robust market share** in a highly fragmented and unorganized market

In-House **Foundry & Fabrication** Facility to support end to end solutions for customers

The company actively embraces **environmentally friendly practices** and creating **long term value for stakeholders**



Company compliant with an **Integrated Management System** based on **ISO 9001:2015, ISO 14001:2015, and OHSAS 18001:2007 standards**

**One of Asia's largest** Industrial Gear Manufacturing Company, having facility spread over **335,000 square meter**

Only Company in India having capability to manufacture **Complex Gear box for Defence: Indian Navy**

**Widest range** of gear applications across Industrial Sectors. Providing industry agnostic gear solutions

Manufacturing & Assembly plants at **UK, Sweden, USA & Netherland other than India**

**Net Cash Positive** Company



Benzlers Netherlands



Radicon USA

# Started in 1951 and evolved as Asia's Largest Gear Solutions Co.



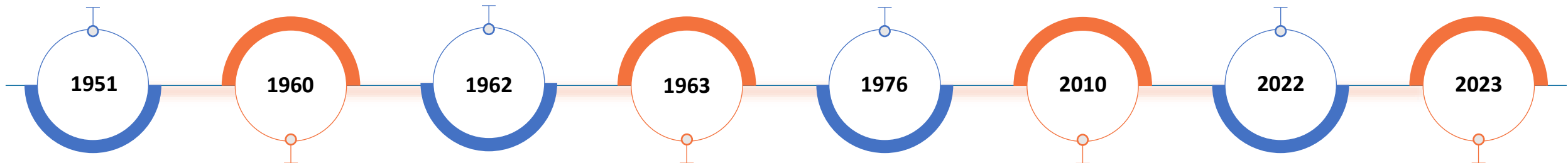
Established in **Mumbai**  
by **Late Shri Ishwarbhai Patel**

Forayed into **manufacturing conveying equipment**

Listed on **Bombay Stock Exchange**

Established **Gear division**

Acquisition debt repaid  
Successful execution of **defence (Indian Navy) project**



1951

1960

1962

1963

1976

2010

2022

2023

Elecon Engineering Company was **incorporated as Private Limited Company**

Shifted to **Vallabh Vidyanagar, Gujarat** in May 1960

Forayed in **bulk material handling business**

Acquired **Benzlers and Radicon in Europe** - manufacturers of screw jacks, shaft mounted gearboxes and industrial reducers

Achieved **highest Revenue & Profits** since a decade

**Cemented position as one of the largest gear solution company in Asia** and a prominent MHE player

## Our Values are our Bedrock!



### Delightful Customer Experience

Ensure unparalleled positive customer experiences all the time

- ❖ Proactiveness
- ❖ Adaptability
- ❖ Relationship
- ❖ Service Orientation



### Resolute Trust

Foster unwavering trust through camaraderie and credible conduct

- ❖ Intent
- ❖ Trustworthiness
- ❖ Competence
- ❖ Commitment Orientation



### Ingenious Entrepreneurship

Demonstrate accountability for the purpose, empowerment, and business acumen

- ❖ Innovation
- ❖ Risk-Taking
- ❖ Agility
- ❖ Solution Orientation



### Value Creation

Create value and enable growth for every stakeholder

- ❖ Wealth
- ❖ Learning
- ❖ Research
- ❖ Partnership Orientation



### Ethics at the Core

Uphold the highest standards of ethical conduct and individual integrity

- ❖ Honesty
- ❖ Fairness
- ❖ Transparency
- ❖ ESG Orientation



# Global MNC with Strong Distribution Network

## Overseas Market

## Domestic Market



Serving to **75+ Countries**

- MANUFACTURING FACILITIES
- ASSEMBLY & SERVICE CENTRE
- SALES OFFICE
- SALES REPRESENTATIVE

**100+**  
Distributors & Dealers

**35+**  
Customer representatives

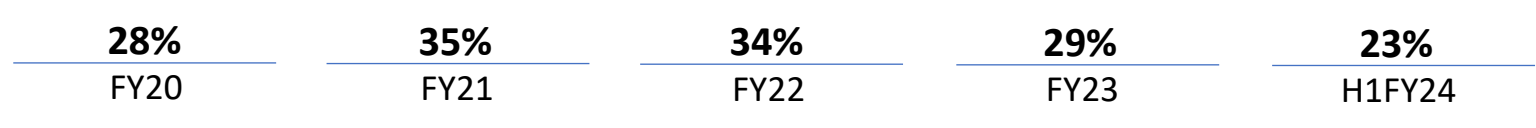
**4** Manufacturing & Assembly Centers  
**10** Sales Offices

**65+**  
Distributors & Dealers

**55+**  
Customer representatives

Pan India Presence

**Contribution from Overseas Market**



All Maps used in the presentation are not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness

# R&D strengthens our leadership position

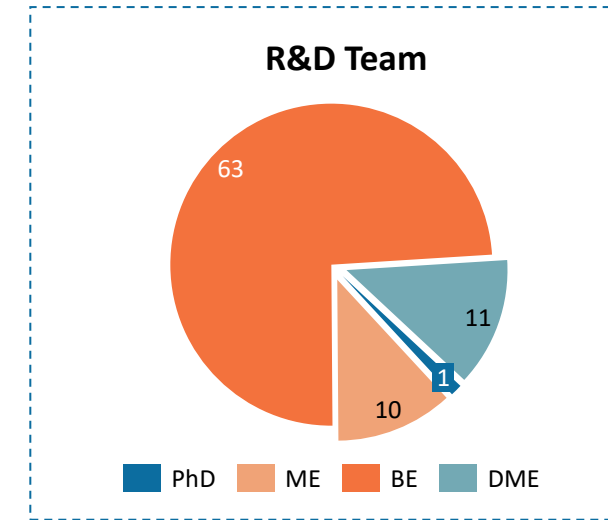


DSIR approved **In-House R&D facility**

**20+** Software for designing, analysis and parameter validation

**85** Engineers team dedicated for R&D

**2 Patents** granted and **3 Patents** applied



## Design & Development Process

Pre-Design Stage

Engineering Stage

3-D Model & Drawings

Design Analysis & Value Engineering

Elecon's R&D initiatives aim to foster innovation, improve existing product offerings, and develop novel technologies in the field of material handling and industrial gear. These efforts provide a competitive edge and address the dynamic needs of the evolving market.

# State of the Art Manufacturing Facility



State of the art facility located at **Vallabh Vidyanagar, Gujarat**



The facility is spread over **335,000 Square Meter**



Capacity utilization for H1FY24 is **~76%**



Bird's eye view of the Facility





# Gear Division – Providing a wide variety of solutions



**Widest range of Industrial Gears**



**World Class operations with low lead time**



**Diversified across industries** such as Power, Cement, Sugar, Steel etc.



**39%\*** Market Share in the Domestic Organized Market

Best in class Gear Solutions



Strong Brand Name



Widest Market Reach



Focus on Customer Solutions



One of Asia's Largest Gear Solution Provider



Maintaining the utmost **safety and quality standards**



Manufacturing facility for both **Catalogue & Engineered Products**



**In-house manufacturing capabilities** with **700+** machine tools



**Pan-India Service Network**

## Our Diversified Product Portfolio



Helical/Bevel Helical Gearboxes



Worm Gearboxes



Couplings



Planetary Gearboxes



Marine Gearboxes



Custom Built Gearboxes



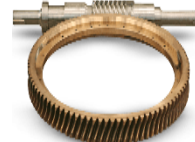
High Speed Gearboxes



Pinion Shaft



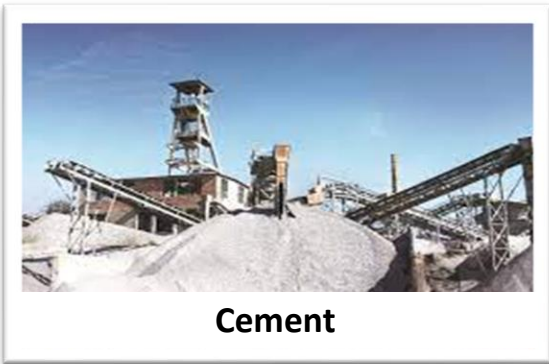
Double Helical Gear Wheel



Loose Gears

\*For FY23

# Supplying to multiple industries thus diversifying risk



**Industry Agnostic Gear Solutions**

**Access to new market opportunities**

**Sustainable Performance**

**Resilience to Business Cycles**





# EON<sup>2</sup> – Next Generation innovation in Engineering

## Highlights of EON<sup>2</sup>

- ❖ **EON<sup>2</sup> Series** brings transformative advantages to both valued customers and the company
- ❖ Innovative solution **enhances operational efficiency, curtails cost and inventory optimization**
- ❖ Offers a comprehensive range of **right angle and parallel shaft combinations** with ratios to suit all major **50/60 Hz motor**
- ❖ **Sectors Catered:** Steel, Power, Chemical, Oil & Gas, Rubber and Plastics, Material and Mining, Paper & Pulp, Industrial Cranes, Water Treatment etc.
- ❖ Granted **2 Patents** for Design of EON<sup>2</sup> Universal Mounting Helical & Bevel Helical Gear Box

## EON Series

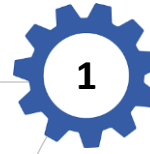
The Second Generation of EON

## Innovation & Technology

- ❖ Effective Micro Gear Geometry
- ❖ Optimize Bearings
- ❖ Robust Optimize Housing

## Operations

Condition Monitoring System to Keep Plant Running & Stepping Up The Production



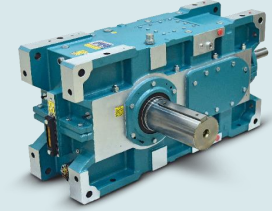
## Design Highlights

- ❖ High Torque to Weight
- ❖ Universal Mounting
- ❖ Prompt Delivery
- ❖ Boost Efficiency
- ❖ Kit Concept

## Gear units with Add on parts


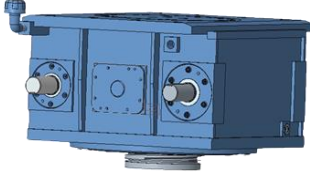

- ❖ Cooling Coil
- ❖ Fan
- ❖ Heater
- ❖ Force Lubrication
- ❖ Torque Arm
- ❖ Motor Adaptor

## EON<sup>2</sup> Helical and Bevel Helical Gearbox



- ❖ **Usage:** Steel, Power, Chemical, Oil & Gas, Rubber and Plastics, Material and Mining, Paper & Pulp, Industrial Cranes, Water Treatment
- ❖ **Torque range:** 0.8 TO 115 kNm
- ❖ **Input Speed:** 1800 RPM TO 750 RPM
- ❖ **Ratio range:** 1.25 to 450
- ❖ **RPM :** 750 to 1800
- ❖ **Features:** High Efficiency, durability, reliability, robust design, Improved thermal rating, high torque to weight capacity
- ❖ **Advantages:** Suitable for Kit concept to standardize and optimize inventory

# Product Enrichment through Addition & Upgradation

RTC Gearbox	Screw Jack Gear Box	Crane Gearbox
		
<ul style="list-style-type: none"> <li>❖ <b>Features:</b> Single Stage, Worm Gear, Speed Reducer</li> <li>❖ <b>Usage:</b> Used in tire curing application in rubber industry</li> <li>❖ <b>Ratio Range :</b> 65,79,80,93,104</li> <li>❖ <b>Power :</b> Up to 25 kW</li> <li>❖ <b>Input Speed:</b> 600 RPM</li> </ul>	<ul style="list-style-type: none"> <li>❖ <b>Features :</b> Single Stage, Worm Gear, Speed Reducer</li> <li>❖ <b>Usage:</b> Used in hot rolling press application in steel industry</li> <li>❖ <b>Power :</b> Up to 10 kW</li> <li>❖ <b>Ratio Range :</b> 10</li> <li>❖ <b>Capacity :</b> 250 Ton Lifting Capacity</li> </ul>	<ul style="list-style-type: none"> <li>❖ <b>Usage :</b> For drives of transporting equipment, lifting gears, crane &amp; elevators</li> <li>❖ <b>Ratio Range :</b> 14 to 280</li> <li>❖ <b>Power :</b> 3 to 1811 Kw</li> <li>❖ <b>Output rated torque :</b> 4.1 to 172 KNm</li> </ul>
<ul style="list-style-type: none"> <li>❖ Heavy Duty</li> <li>❖ Robust Design</li> <li>❖ High torque application</li> </ul>	<ul style="list-style-type: none"> <li>❖ Heavy Duty</li> <li>❖ Robust Design</li> <li>❖ High Axial Thrust Capacity up to 250 Ton</li> </ul>	<ul style="list-style-type: none"> <li>❖ Higher torque ratings</li> <li>❖ Different mounting position</li> <li>❖ Optimized gear housing design</li> </ul>

**New Products Added**

**Product Upgraded**

# MHE Division: A proxy to Capex Creation



**Pioneers** in manufacturing Bulk MHE



**Largest supplier** of Stockyard Machines & Wagon tippers in India



Enhanced **diversification** across industries



**Widest range** of products



Maintaining **highest standards** of safety



Consistent delivery of **high-quality** products instills **customer reliance**

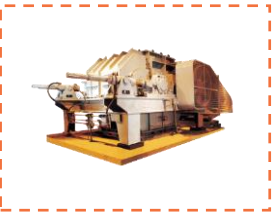


**Robust In-House** design and manufacturing capabilities

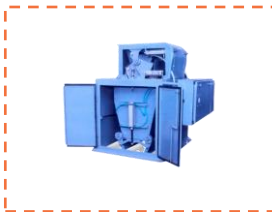


**Discontinued EPC** Projects and Focus only on **Profitable Product Business**

## Our Diversified Product Portfolio



Feeders



Automatic Weighing



Stackers / Reclaimers



Raw Material Handling System



Wagen Tippler



Specialized Conveyors



Pulleys



Mobile Stacker

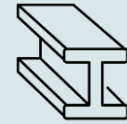


Port Equipment



Truck Loader

## End User Industry



Steel



Cement



Mining



Fertilizer



Ports

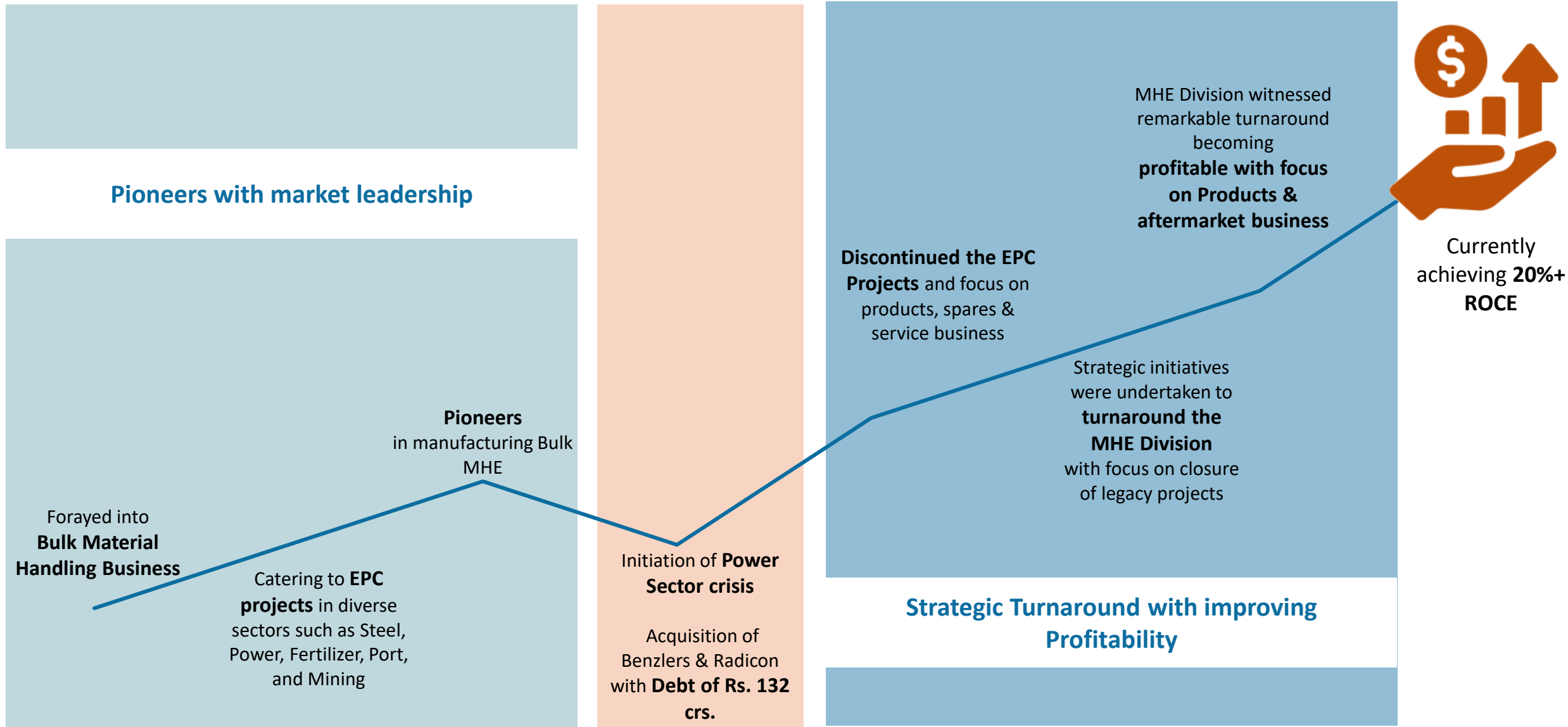


Power



Oil & Gas

# Re-oriented the Business since 2019



# Board of Directors



**Shri Prayasvin B. Patel**  
Chairman & Managing Director

Experience of 48 years in engineering industry. He holds a Bachelors in Engineering (Mech.) and an MBA (USA). He is actively involved in the decision making for various technical and commercial matters including the marketing for both Gear and MHE divisions.



**Shri Pradip M. Patel**  
Non-Independent & Non-Executive Director

Experience of more than 30 years in Bearing industry. He holds an MBA (USA). His core area of strength relating to the business is strong leadership, strategy building and operational direction.



**Shri Prashant C. Amin**  
Non-Independent & Non-Executive Director

Experience of 41 years in operating enterprises with strong leadership, successfully acquiring, integrating & managing foreign companies. He holds MBA (USA) Masters in Engineering & Management.



**Shri Jai S. Diwanji**  
Independent & Non-Executive Director

Experience of 20 years in the field of domestic and international law. He holds a degree of Law(UK). Presently, he is a partner with the national law firm, Desai & Diwanji.



**Dr. Sonal V. Ambani**  
Independent & Non-Executive Director

She holds a PhD in Business Management and is the founder Chairperson of FICCI Ladies Organization (FLO) Ahmedabad. She holds two patents granted in the US and is also a member of the United Nations Development Fund for Women (UNIFEM).



**Shri Pranav C. Amin**  
Independent & Non-Executive Director

He is a graduate in Economics/Industrial Management and MBA in International Management. His core areas of expertise are management and leadership.



**Shri Ashutosh A. Pednekar**  
Independent & Non-Executive Director

He is a practicing Chartered Accountant and is a Partner of M. P. Chitale & Co., chartered Accountants since 1992. He is well versed in the fields of accountancy, finance, risk management, insurance contracts.



**Shri Aayush A. Shah**  
Non-Independent & Non-Executive Director

Chief Executive Officer and Executive Director of Power Build Private Limited. Carries more than 2 years of experience in the domain of Managing Business Unit, Strategic Planning & Budgeting, Process Improvement, Project Management and Business Turnaround.



# Strong Management Team



**Shri Kamlesh Shah**  
Group Chief Financial Officer

With over 25 years of extensive expertise, he possesses a diverse background in Business Strategy Planning & Budgeting, Process Improvement, Project Management, Business Turnaround, Corporate Banking, and Investor Relations across various industries.



**Shri Narasimhan Raghunathan**  
Chief Financial Officer

Having amassed over two decades of experience, he has proven his proficiency in Accounts, Finance, Taxation, Legal & Compliance, and related functions in diverse industries and companies, encompassing both Indian and multinational corporations such as Ashok Leyland, Ernst & Young, Hansen Transmissions of Belgium, ZF of Germany, and KSB Pumps of Germany.



**Shri M.M Nanda**  
Head of Gear Division

Joined Elecon in 1973 as a Liaison Officer and advanced to become the Marketing Head and subsequently the Vice President Marketing. Since 2016, he has been leading the company as its CEO, showcasing expertise in Marketing, Business Strategy, Market Research, Resource Management, Project Management, and Business Turnaround.



**Shri P. K. Bhasin**  
Head of MHE Division

Effective leader with over 40 years of experience and his core expertise lies in Marketing, Human Resources, Business Operations & Strategy, and identifying new opportunities to sustain extraordinary business growth. He brings a wealth of experience from MNC organizations such as ABB, ALSTOM, and L&T.

# Strong Relationship with Marquee Clients

## Gear



## MHE



...and many more

The Brand Names and Logos mentioned are the property of their respective owners and are used here for identification purposes only

# Awards and Recognition



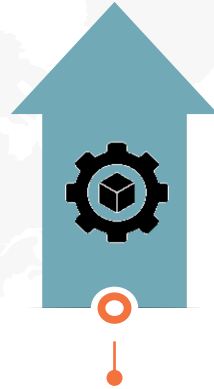
**2<sup>nd</sup> Consecutive Year in a row**





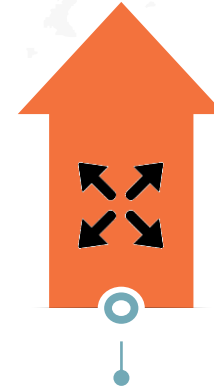
## Supply to OEM in the European Market

Successfully signed off **Six OEM business in the European market.** Committed to becoming the **preferred supplier** in these markets.



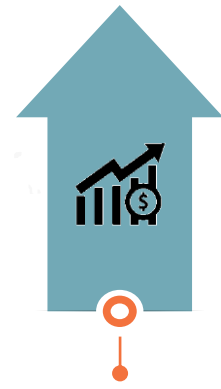
## New Product Development

Continue to focus on R&D and Product Development as we strive to deliver **high-quality, industry-agnostic, and customizable products** that ensure customer satisfaction.



## Market Expansion

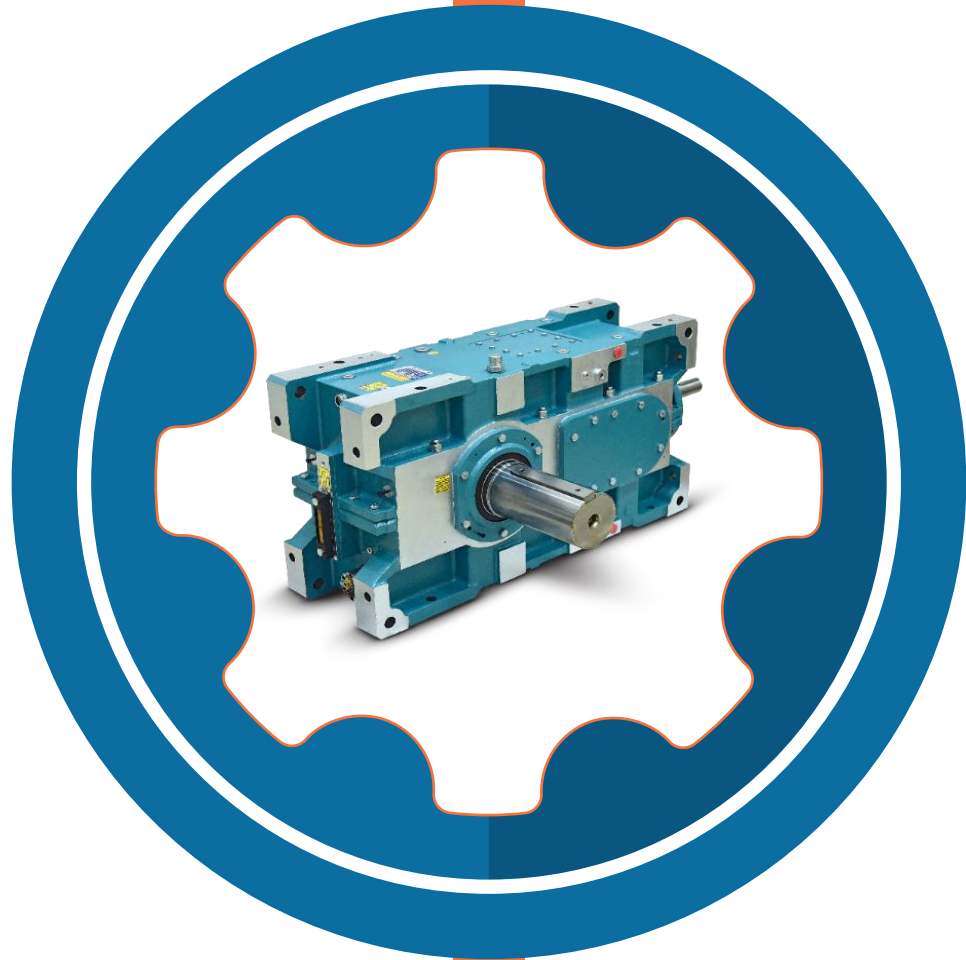
Expansion into **new territories and increasing market share in existing geographies.** The Company has forged strategic partnerships with leading companies, enabling access to new customers and markets.



## Growing the MHE Business sustainably and profitably

The strategic turnaround with focus on the **Supply of Products & After Market business** while discontinuing involvement in the EPC projects business.

Paving way to unlock next level of growth...

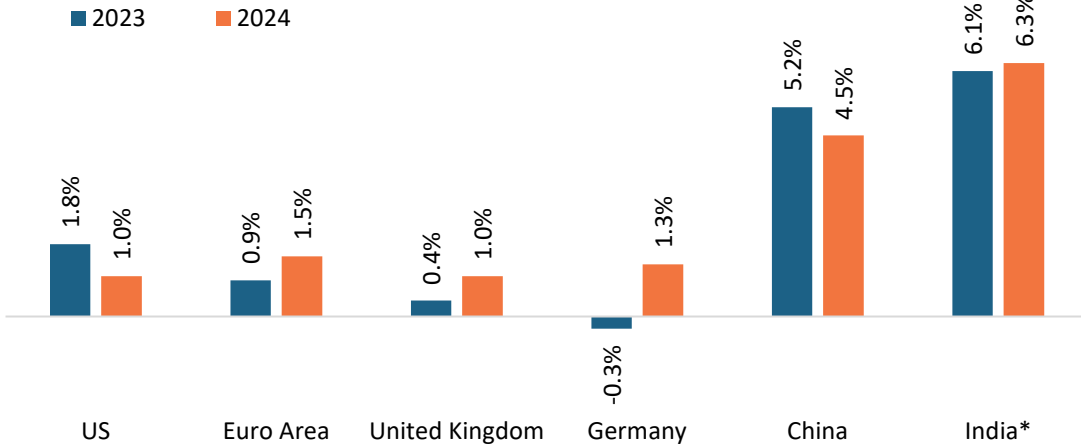


## Industrial Overview

---



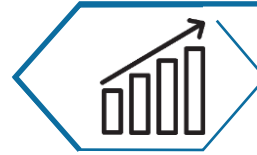
## Indian GDP Growth Outlook



Sources: IMF

## Key Drivers

- ❖ **Rising Per Capita Income** supported by huge middle-class consumption and economic opportunities
- ❖ **Digital Competitiveness** leading to deeper inclusion deeper inclusion and new demand across sectors
- ❖ **Public Infrastructure Investment** in the public infrastructure, integrating ecosystem for manufacturing, logistics and exports
- ❖ **Easing Supply Chain Constraints** with betterment of geo- political tension leading to stabilization of commodity prices



### Strong Demand

Growth outlook for gears and MHE segments remain positive on the back of strong demand.



### Infrastructure Boost

The government's growing attention towards infrastructure is expected to stimulate the capex cycle in cement and steel sectors.



### Capacity Creation

The capacity creation in sectors like power, steel, mining, infrastructure, oil & gas, etc., is likely to drive growth.



### Shift In Supply Chain

Supply chain shifting to India amid China +1 strategy adopted by global manufacturing players will likely benefit domestic demand.



### Government Initiatives

Focus on industrialisation and localisation via Make in India, PLI schemes likely to accelerate growth.

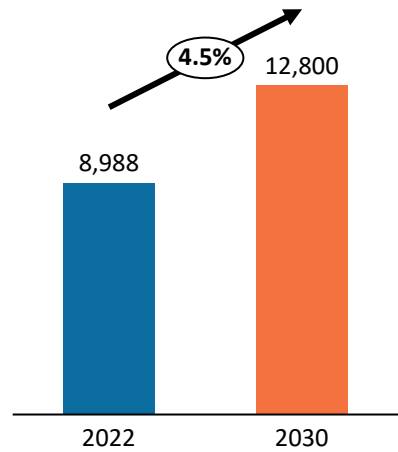


### Technological Advancement

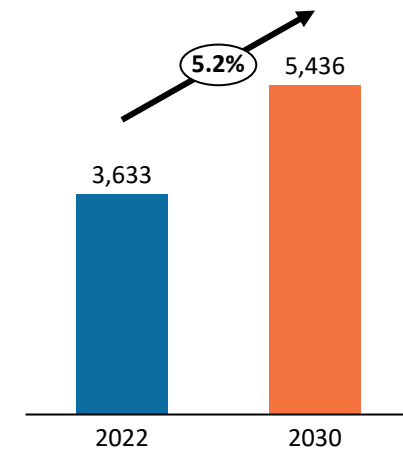
Technological improvement in manufacturing processes and cost advantage will benefit the industry.

# Industrial Gearbox Market Size

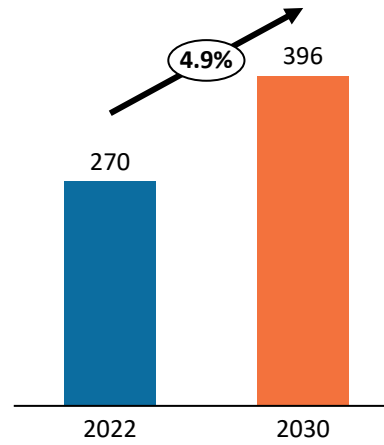
Global Market (USD Mn)



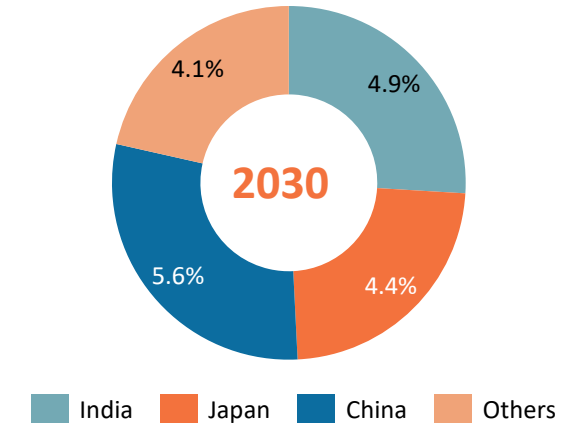
Asia Pacific (USD Mn)



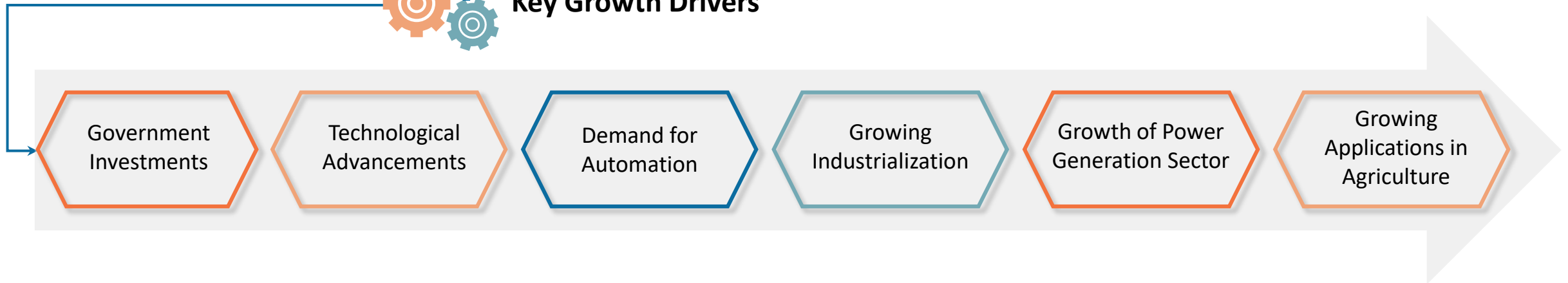
India (USD Mn)



Asia Pacific – CAGR (2022 to 2030)



## Key Growth Drivers



# Key Sector Outlook

## Steel



- ❖ Steel & Mineral Industry has been consistently doing well for the past 3 years
- ❖ Elecon is the leading and the sole Indian manufacturer of 900 TPD sponge iron plant in the country
- ❖ Both Iron-ore and finished steel segment are growing at a faster pace and is expected to grow ~9% in the coming year and Government also focusing on infra development and as a result expansion of production capacity
- ❖ In Overseas market there are also some opportunities in Steel Industry

- ❖ Cement consumption in India is expected to grow by ~6 to 7% in the current year
- ❖ Elecon has increased its market share with some of the major OEM's in this segment
- ❖ The trend in the Cement Industry is shift towards Roller Press Gearboxes for Raw mill & Cement mill application and Elecon is the only Indian manufacturers for Roller press gearboxes



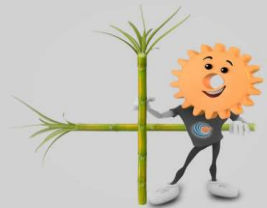
## Cement

## Power

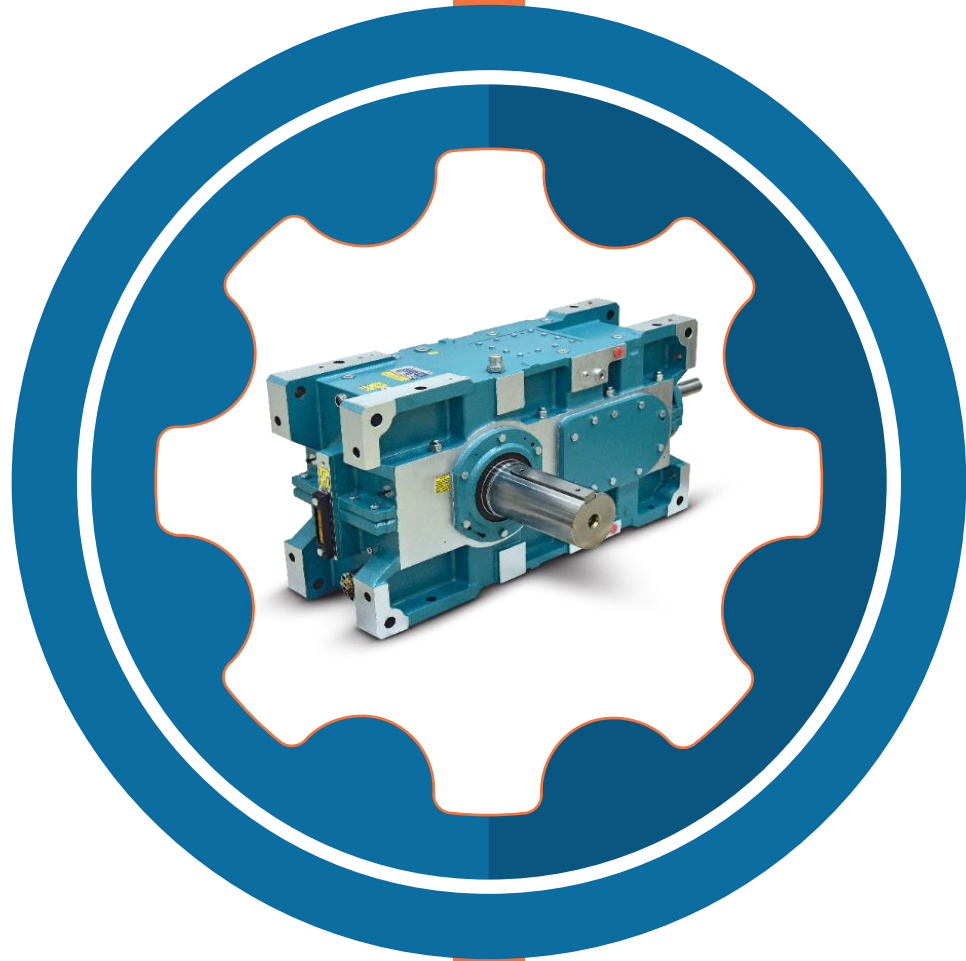


- ❖ Elecon expects around 3 more thermal power plants to come up in this financial year
- ❖ Elecon expect orders from major OEM's in this segment in this financial year
- ❖ Elecon is the leading supplier in India for Coal Pulverizer VRM gearboxes and also has major share in the FGD business in Power sector

- ❖ The government's support for ethanol production revived the sugar industry, leading to two years of success. Although this year's growth is slightly lower than the previous year, there are promising inquiries that are expected to translate into orders within the next 2-3 months
- ❖ Elecon is the leading Planetary Sugar mill gearboxes manufacturer with a market share of ~60% and also trying to capture overseas market like in South East Asia



## Sugar



## ESG Vision

---

# Sustainable towards Environment



**70%** Energy from Renewal Sources

- Wind Power – 14MW
- Solar Power – 5 MW



**~85%** Lighting converted into LED



**60%** Green Campus



**~4000 Sq Mtrs** unused land developed into Green Belt Area



**40%** reduction in using wood by replacing to Nail-less Packaging



**Electric powered equipment enhanced** to reduce Natural resources



**Retrofitting** of emission control devices to reduce environmental impact



**STP** to reuse sewage water



**Rainwater Harvesting** to conserve rainwater





# Elecon Engineering – A responsible Corporate



## Health and Medical

- ❖ Blood Donation Camp
- ❖ Supporting charitable hospitals with latest medical equipment
- ❖ Health activities for community
- ❖ Healthy Heart Walkathon
- ❖ Health & Safety awareness programs in nearby villages
- ❖ Yoga Session on International Yoga Day
- ❖ Under banner “Aarogyam”, Awareness Session on “Woman’s Health & Wellbeing”



## Promoting Sports

- ❖ Elecon Cricket Academy
- ❖ Elecon Tennis Academy
- ❖ Sponsored State Level Badminton Tournament
- ❖ Provide training to Players



## Caring for Society

- ❖ Food Distribution for needy
- ❖ Support to Weaker Section of Society
- ❖ Support to Students through Scholarship
- ❖ Initiative for Education Program
- ❖ Career Counselling Session for children of employees
- ❖ Initiative for Special Person
- ❖ Maintaining gardens in the town



Elecon's mission is to engage in environmentally responsible practices, contribute to the greater good of society, and ensure the well-being of its employees

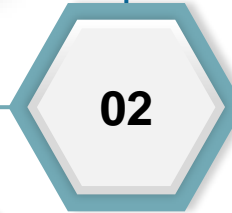
# Vision for Inclusiveness



Promoting procurements from MSME



01



02

Business Partner Meet

Dealer and Channel Partner Meet



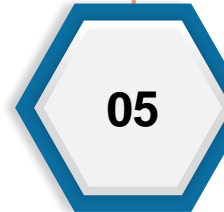
03



04

Sustainable Supply Chains

Web Supplier Portal for sustainable Supply Chain



05

## Sustained Workforce

- ❖ **10+ Years** average service period of an employee
- ❖ **680+** workforce building team Elecon
- ❖ Creating a gender-diverse workforce

## Leadership Development Program

- ❖ Leadership Development program under **“Gurukul” Project**
- ❖ Initiated workshops on **cultural transformation** in collaboration with a global leading organization, to strengthen the company's culture, beliefs, and values during the growth phase

## Celebrations

- ❖ Celebrate employees' achievements
- ❖ Celebrate various occasions & Prize distribution from time to time

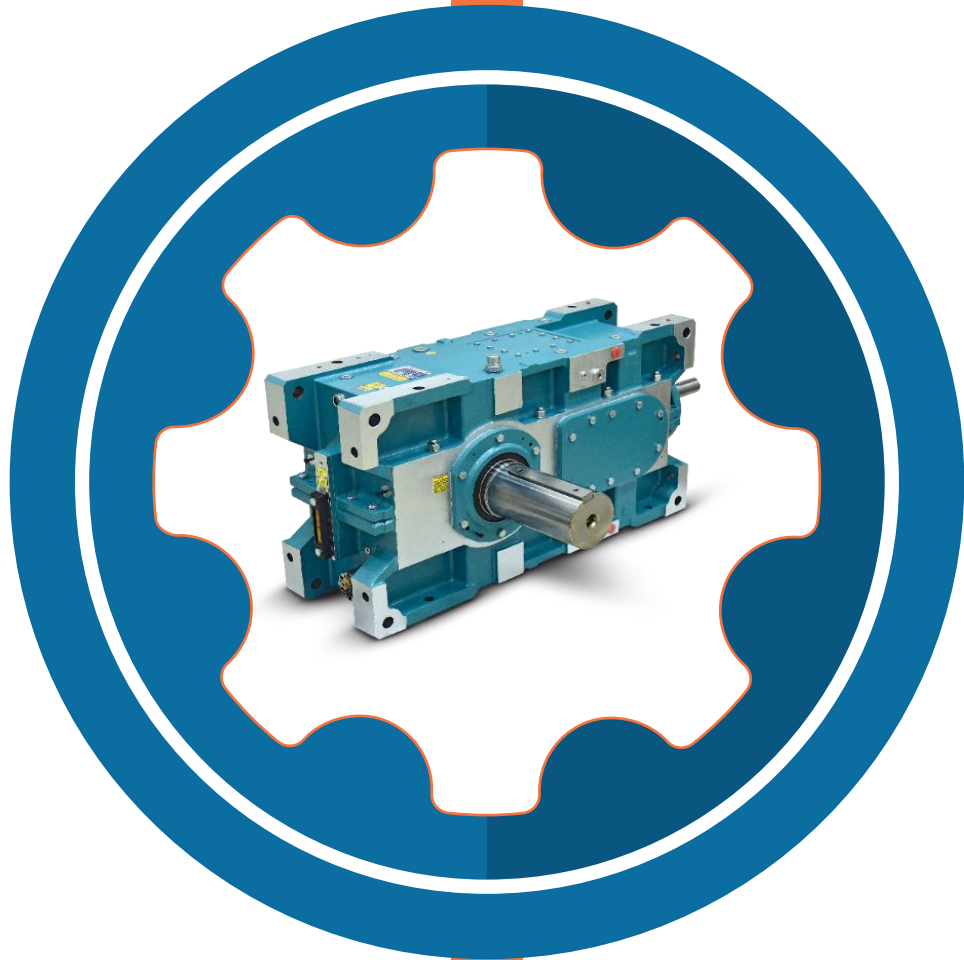
## Care and Safety for Employees

- ❖ **Zero** Fatality
- ❖ Health & Hygiene Awareness program
- ❖ **860-man hours** imparted to SHE training covering 643 employees in H1 FY24
- ❖ Medclaim and Term Insurance cover for Employees
- ❖ POSH awareness session

## Culture of Continuous Learning

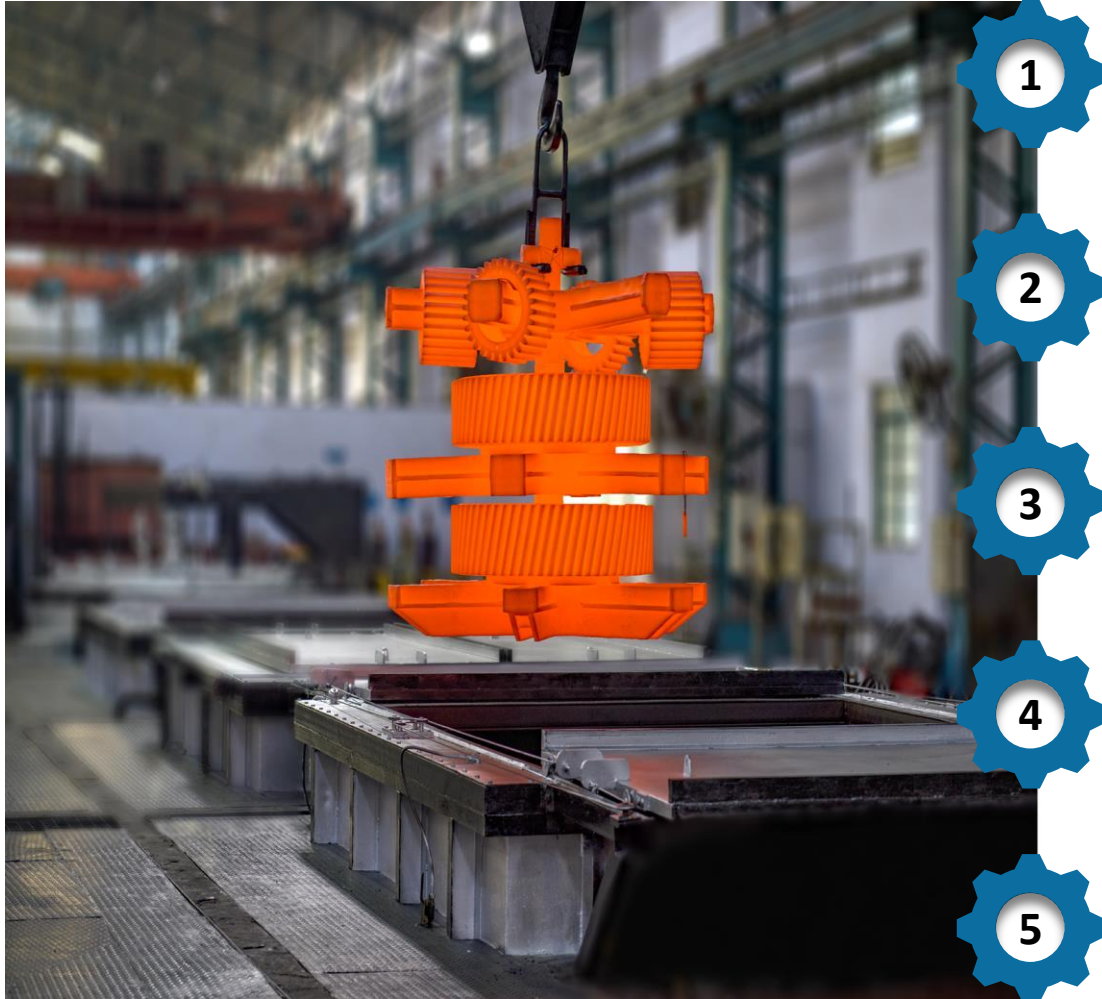
- ❖ **96+** Learning and Development Programs conducted
- ❖ **1822** employees attended various training for ~6,700-man hours under continuous learning program
- ❖ Employees inclusiveness through **“HR Aapke Nikat”** initiative
- ❖ Host an **Engineering Fair** as part of Engineer's week, where employees showcase their creativity through innovative ideas, model displays and more





## **Q2 & H1 FY24 FINANCIAL HIGHLIGHTS**





1

#### Development on Overseas OEM Business:

- ❖ Signed-off **Six OEM Business** in European market, having annual estimated business volume of **~Euro 5.5 Million**
- ❖ Prototype is under development and to be supplied to the OEMs by Q3FY24, commercial production expected to start from FY25

2

#### Arbitration awards:

- ❖ As of September 2023, we have successfully realized **Rs. 30.9 Crs** from the arbitration award, out of the total award amount of **Rs. 63.0 Crs**. An additional **Rs. 1.0 Cr** is expected to be realized in October 2023. Negotiations for the remaining amount of **Rs. 31.1 Crs** are currently in progress
- ❖ Fresh arbitration proceedings initiated having the value of **Rs. 31.0 Crs** during Q1FY24, optimistic of favorable outcomes

3

Capex incurred **Rs. 24.0 Crs** upto H1FY24 out of the **Rs. 70.0 Crs** planned for FY24

4

**Improvement in Credit Ratings:** LT - [ICRA] AA- (Stable); ST: [ICRA] A1+ in June-23 (Previous Credit Ratings: LT- [ICRA] A+ (Stable); ST: [ICRA] A1)

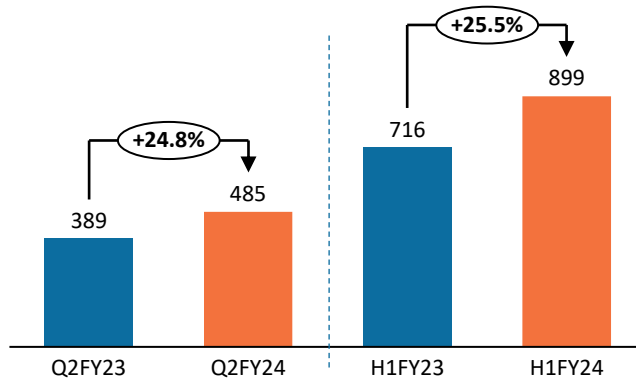
5

Declared an Interim Dividend of **Re 1.00/-** (i.e. 50%) per Equity Share of Rs. 2/- each

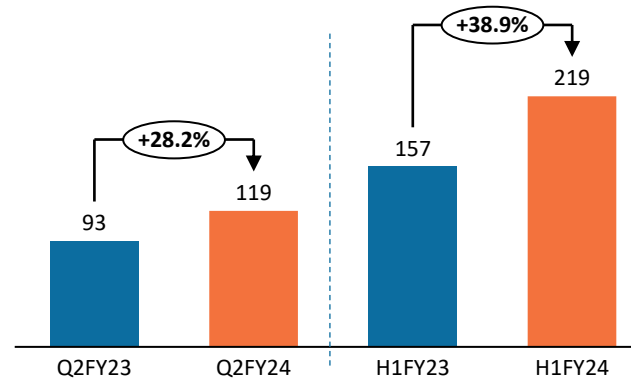


# Strong Consolidated Quarterly & Half Yearly Performance

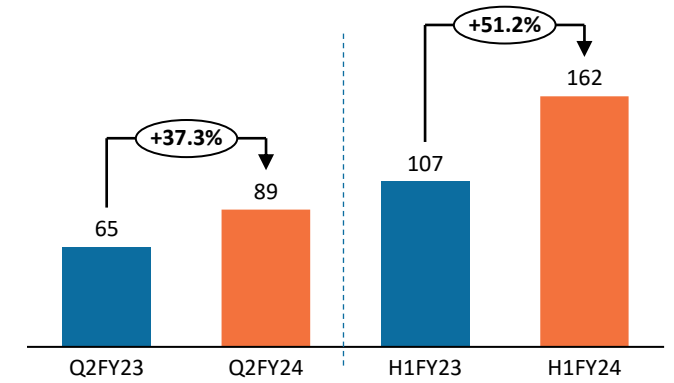
Revenue (Rs Crs.)



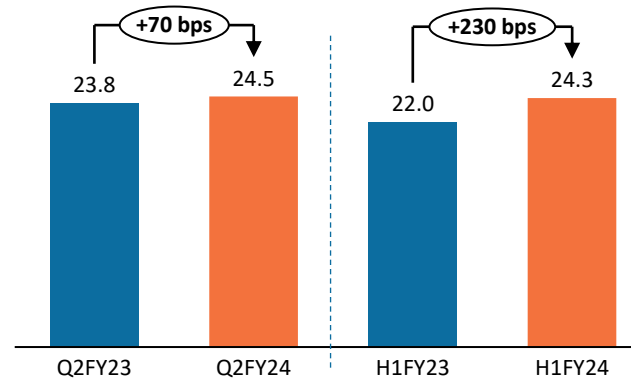
EBITDA (Rs Crs.)



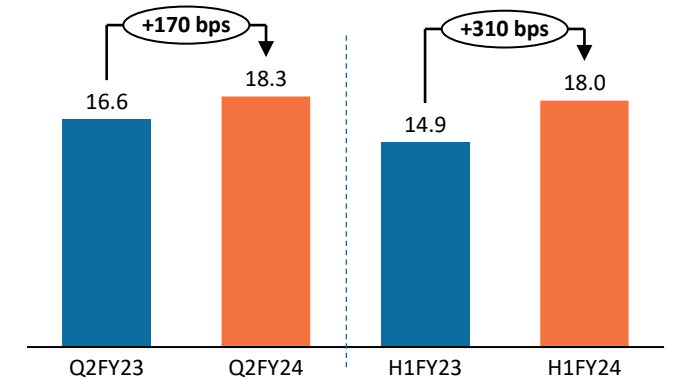
PAT (Rs Crs.)



EBITDA Margin (%)



PAT Margin (%)



Revenue  
Guidance of  
Rs 2,000 crores  
in FY24

# Consolidated Profit & Loss Statement

Profit and Loss (Rs. Crs.)	Q2FY24	Q2FY23	Y-o-Y	Q1FY24	Q-o-Q	H1FY24	H1FY23	Y-o-Y
<b>Revenue from Operations</b>	<b>485</b>	<b>389</b>	<b>24.8%</b>	<b>414</b>	<b>17.0%</b>	<b>899</b>	<b>716</b>	<b>25.5%</b>
Operating Expenses	263	212		216		480	383	
<b>Gross Profit</b>	<b>222</b>	<b>177</b>		<b>198</b>		<b>420</b>	<b>333</b>	
<b>Gross Profit Margin</b>	<b>45.7%</b>	<b>45.4%</b>		<b>47.8%</b>		<b>46.7%</b>	<b>46.6%</b>	
Employee Cost	44	37		46		90	78	
Other Expenses	59	47		52		111	98	
<b>EBITDA</b>	<b>119</b>	<b>93</b>	<b>28.2%</b>	<b>100</b>	<b>18.8%</b>	<b>219</b>	<b>157</b>	<b>38.9%</b>
<b>EBITDA Margin</b>	<b>24.5%</b>	<b>23.8%</b>	<b>70 bps</b>	<b>24.1%</b>	<b>40 bps</b>	<b>24.3%</b>	<b>22.0%</b>	<b>230 bps</b>
Other Income	13	4		9		21	9	
Depreciation	13	12		12		26	23	
<b>EBIT</b>	<b>118</b>	<b>85</b>	<b>38.9%</b>	<b>96</b>	<b>22.9%</b>	<b>214</b>	<b>143</b>	<b>49.8%</b>
<b>EBIT Margin</b>	<b>24.3%</b>	<b>21.9%</b>	<b>250 bps</b>	<b>23.2%</b>	<b>120 bps</b>	<b>23.8%</b>	<b>20.0%</b>	<b>390 bps</b>
Finance Cost	3	3		2		5	7	
Share in profit of Associates	2	1		1		3	1	
<b>Profit before Tax</b>	<b>117</b>	<b>83</b>	<b>40.8%</b>	<b>94</b>	<b>24.0%</b>	<b>212</b>	<b>137</b>	<b>54.7%</b>
<b>PBT Margin</b>	<b>24.2%</b>	<b>21.4%</b>	<b>280 bps</b>	<b>22.8%</b>	<b>140 bps</b>	<b>23.5%</b>	<b>19.1%</b>	<b>440 bps</b>
Tax	29	19		22		50	30	
<b>PAT</b>	<b>89</b>	<b>65</b>	<b>37.3%</b>	<b>73</b>	<b>21.4%</b>	<b>162</b>	<b>107</b>	<b>51.2%</b>
<b>PAT Margin %</b>	<b>18.3%</b>	<b>16.6%</b>	<b>170 bps</b>	<b>17.6%</b>	<b>70 bps</b>	<b>18.0%</b>	<b>14.9%</b>	<b>310 bps</b>
EPS	7.89	5.75		6.50		14.40	9.52	

Note: Other Income includes Profit on sale of fixed assets of INR 2.16 Crs in Q2FY24 & INR 2.31 Crs in H1FY24.

# Consolidated Balance Sheet

Assets (Rs Crs.)	Sep-23	Mar-23
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant and Equipment	530	527
Capital work-in-progress	0	0
Right to use of Assets/Investment Properties	80	82
Investment property (net)	25	25
Intangible Assets	18	18
Goodwill	102	103
Investment In Subsidiaries	59	57
<b>Financial Assets</b>		
(i) Investments	0	1
(ii) Others Financial Assets	9	9
Deferred Tax Assets(net)	2	2
Income Tax Asset	11	10
Other non-current assets	14	12
<b>Total Non-Current Assets</b>	<b>851</b>	<b>844</b>
<b>Current assets</b>		
Inventories	262	279
<b>Financial Assets</b>		
(i) Investments	48	19
(ii) Trade receivables	376	346
(iii) Cash and cash equivalents	116	82
(iv) Bank balances other than (iii)	193	128
(v) Other Financial Assets	10	9
Income Tax Asset	25	25
<b>Total Current Assets</b>	<b>1,030</b>	<b>888</b>
<b>Total Assets</b>	<b>1,881</b>	<b>1,732</b>

Equity and Liabilities (Rs Crs.)	Sep-23	Mar-23
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity Share Capital	22	22
Other Equity	1,392	1,257
<b>Shareholders Funds</b>	<b>1,415</b>	<b>1,279</b>
<b>Non-Current Liabilities</b>		
<b>Financial Liabilities</b>		
(i) Lease Liability	39	40
Provisions	27	33
Deferred Tax Liabilities (Net)	25	26
Other non-current liabilities	1	1
<b>Total Non-Current Liabilities</b>	<b>91</b>	<b>100</b>
<b>Current liabilities</b>		
<b>Financial Liabilities</b>		
(i) Lease Liability	7	11
(ii) Trade Payables	229	214
(iii) Other Financial Liabilities	4	6
Other Current Liabilities	107	103
Provisions	16	13
Current tax liabilities (net)	12	5
<b>Total Current Liabilities</b>	<b>375</b>	<b>353</b>
<b>Total Liabilities</b>	<b>1,881</b>	<b>1,732</b>

# Consolidated Cash Flow Statement

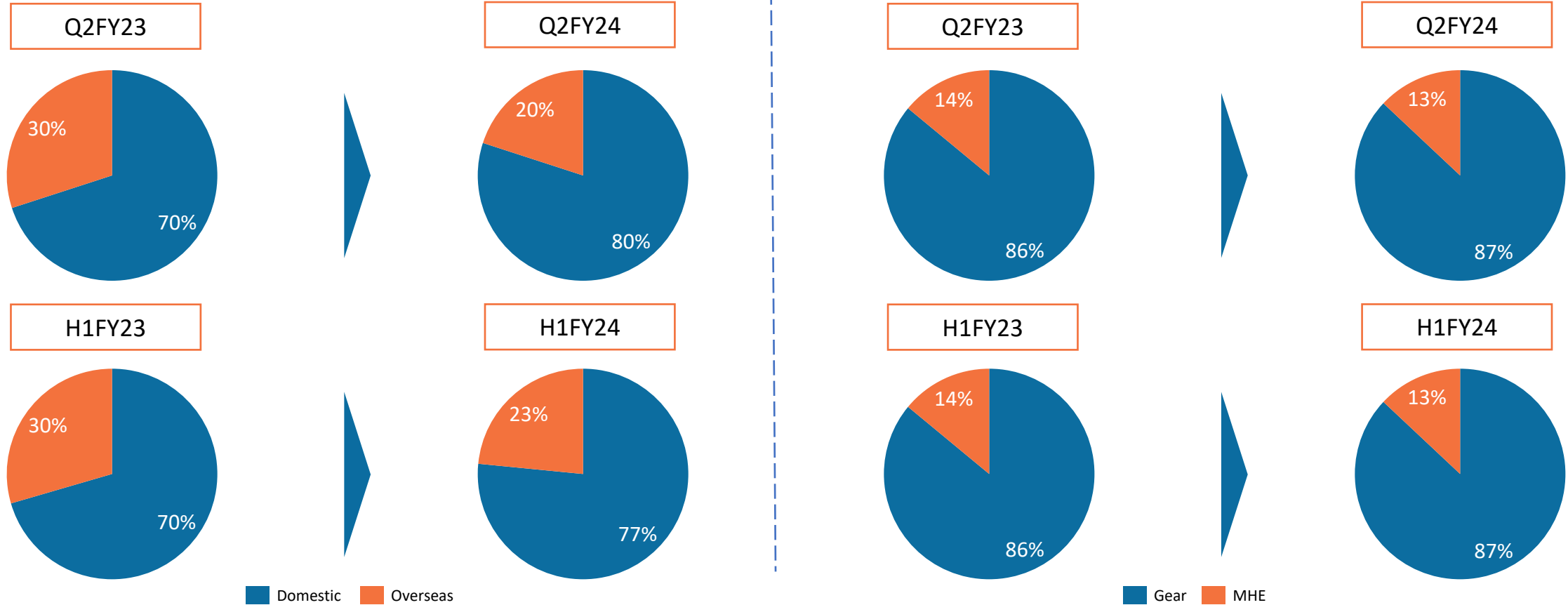
Particulars (Rs Crs.)	Sep-23	Sep-22
<b>Profit before Tax</b>	<b>212</b>	<b>137</b>
Adjustment for Non-Operating Items	19	32
<b>Operating Profit before Working Capital Changes</b>	<b>230</b>	<b>168</b>
Changes in Working Capital	-8	-4
<b>Cash Generated from Operations</b>	<b>223</b>	<b>165</b>
Less: Direct Taxes paid	43	24
<b>Net Cash from Operating Activities</b>	<b>180</b>	<b>141</b>
Cash Flow from Investing Activities	-109	-9
Cash Flow from Financing Activities	-37	-133
<b>Net increase/ (decrease) in Cash &amp; Cash equivalent</b>	<b>34</b>	<b>-1</b>
Cash and cash equivalents at the beginning of the period	82	84
<b>Cash and cash equivalents at the end of the period</b>	<b>116</b>	<b>83</b>



# Consolidated Revenue Split

## Geography Wise

## Segment Wise



The company is focused on improving the revenue share from Overseas market and turning around the MHE Business. Current decline in overseas revenue is attributed to rollover of order execution to H2FY24 and the impact of export revenue recognition under IND AS.

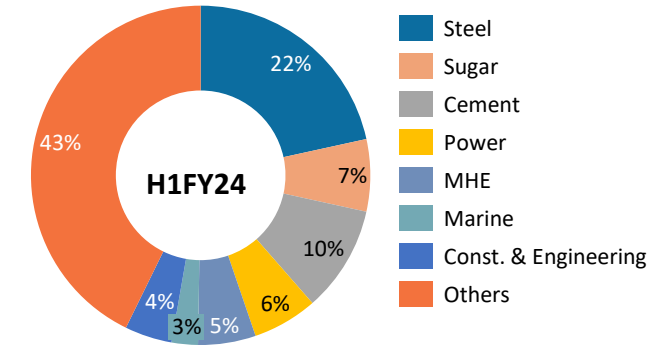
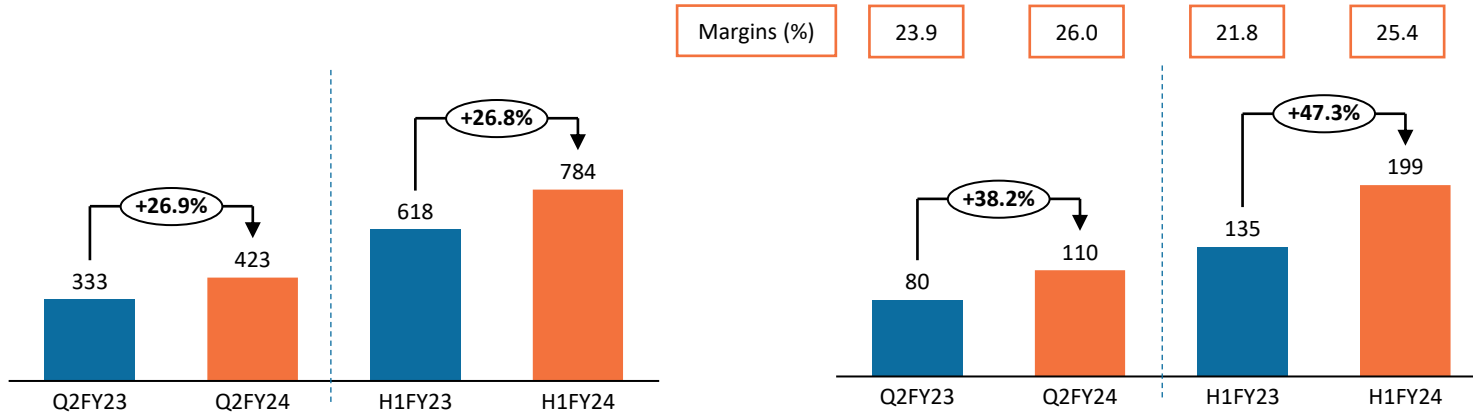
# Consolidated Segment Wise Performance

Revenue (Rs Crs.)

EBIT (Rs Crs.)

Order Intake (%)

Gear

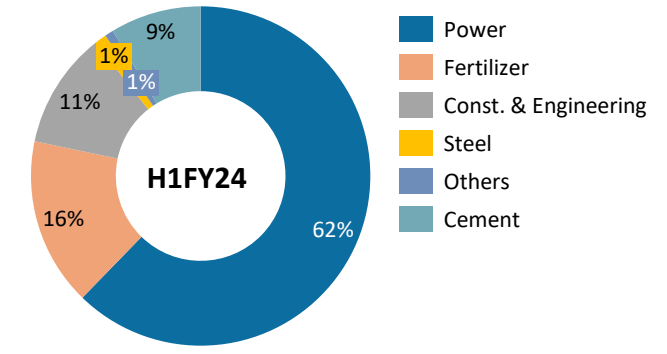
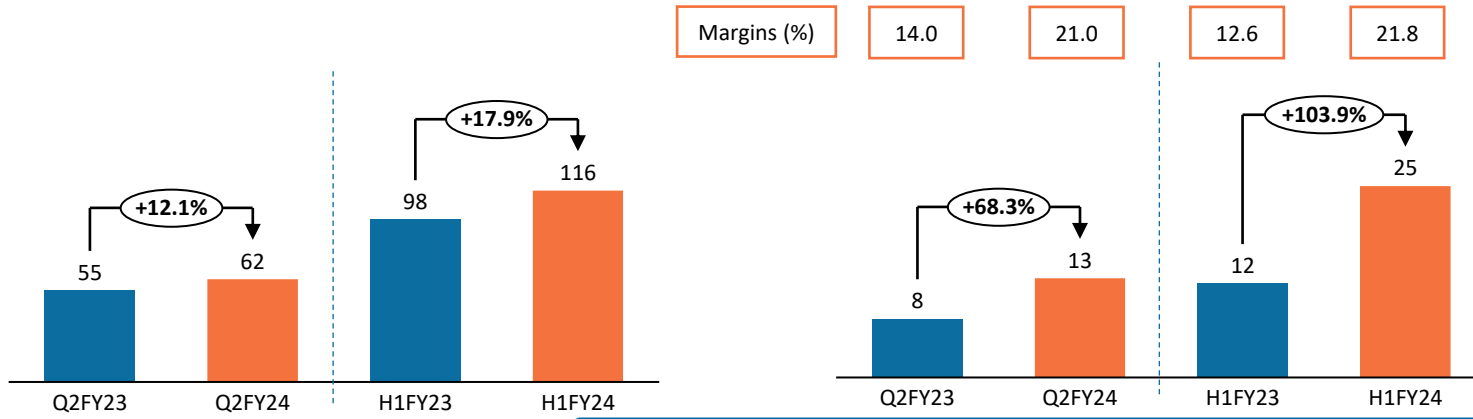


Revenue (Rs Crs.)

EBIT (Rs Crs.)

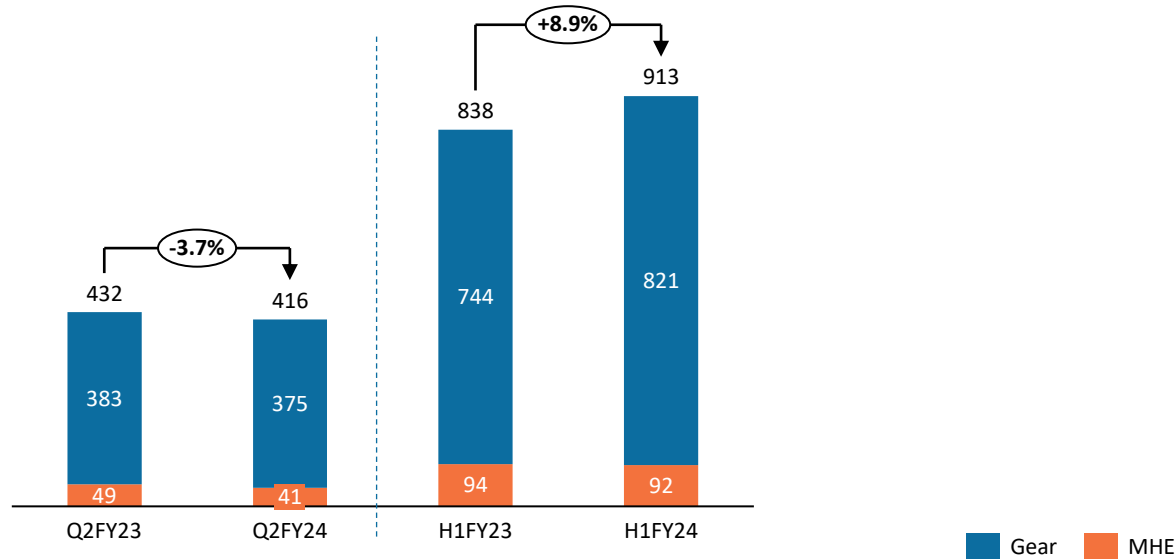
Order Intake (%)

MHE

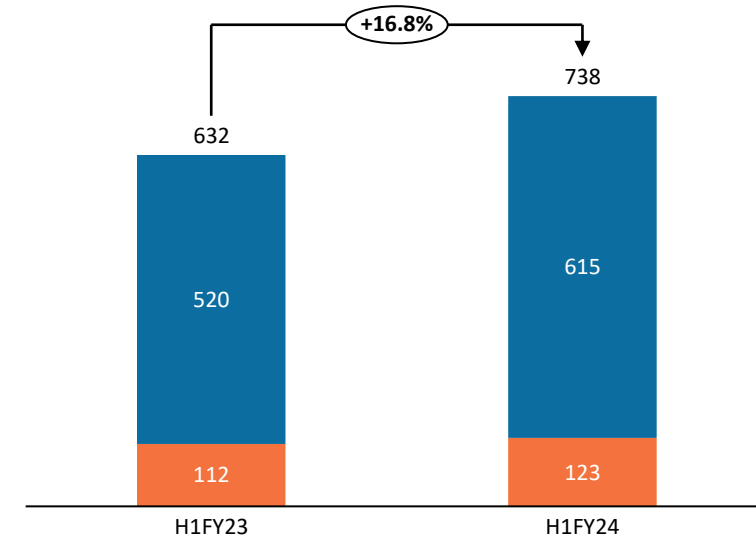


# Consolidated Order Book

Order Intake (Rs Crs.)



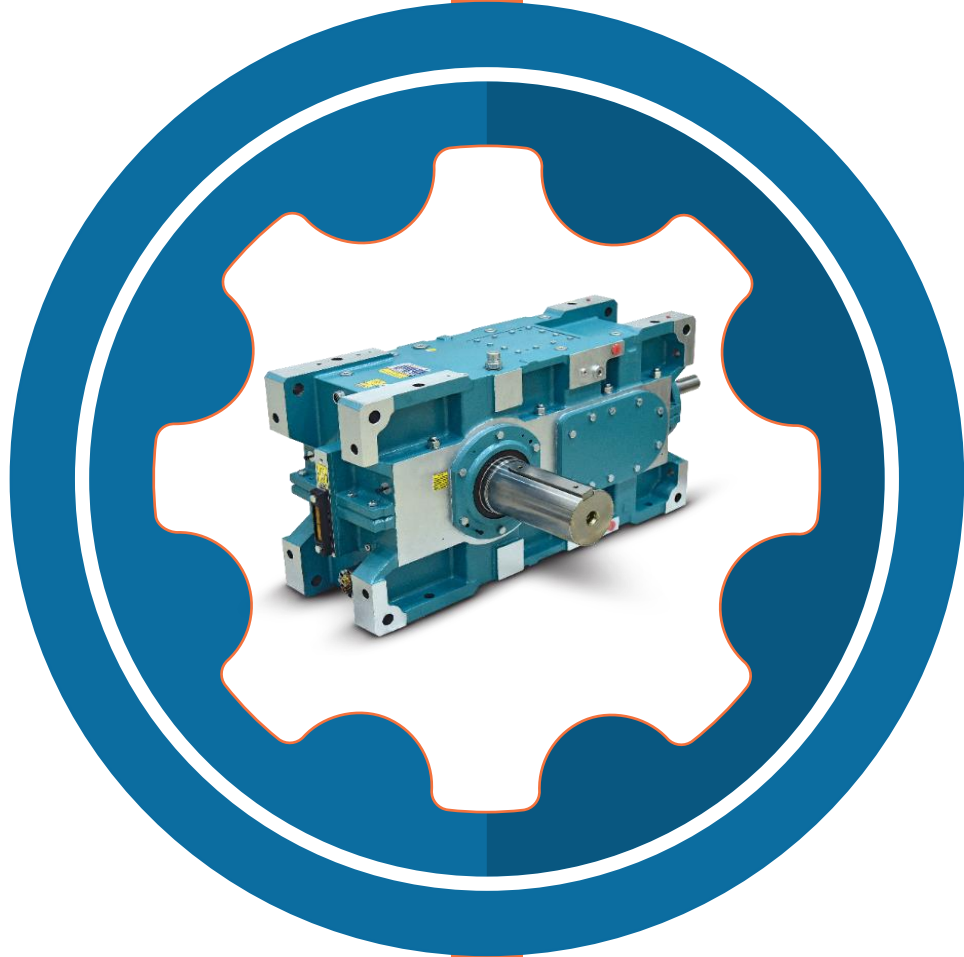
Open Order as on 30<sup>th</sup> Sep'23 (Rs Crs.)



## Key Highlights

- ❖ **Gear Division:** The order intake for H1FY24 stood at **Rs 821 Crs.**, up by **10%** on Y-o-Y basis. Order in Hand is **Rs 615 Crs** as on 30th September 2023
- ❖ **MHE Division:** The order intake for H1FY24 stood at **Rs 92 Crs** as compared to **Rs 94 Crs** in H1FY23 . Order in Hand is **Rs 123 Crs** as on 30th September 2023

With increasing enquiries across various product categories and industries, coupled with a robust executable order book, the company remains optimistic about sustaining its growth momentum in the future



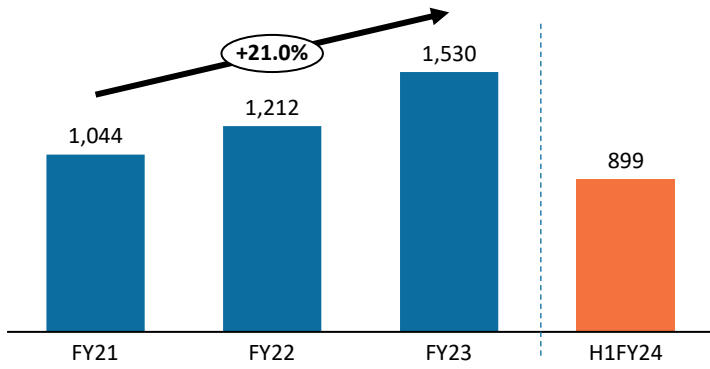
## Historical Financials

---

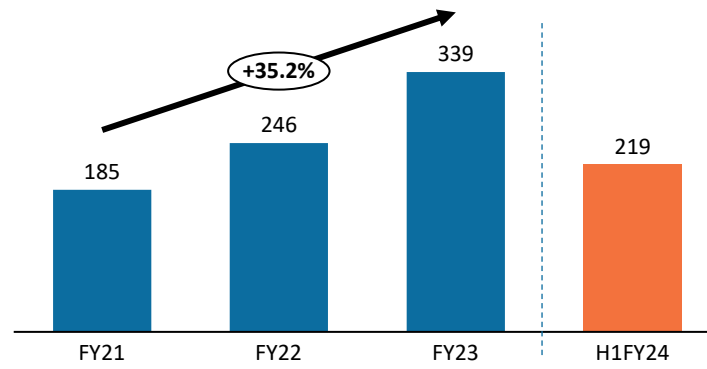


# Historical Consolidated Financial Performance

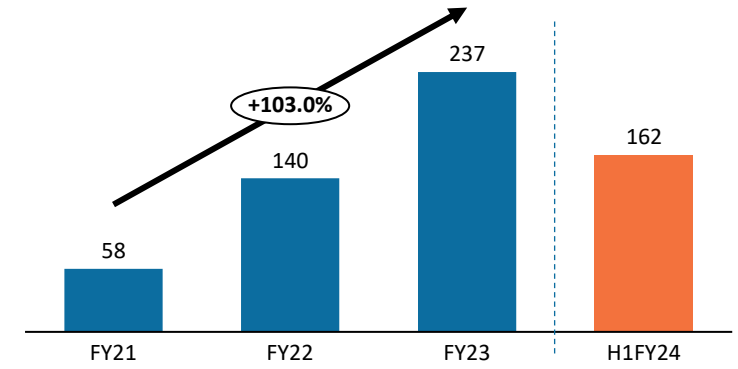
Revenue (Rs Crs.)



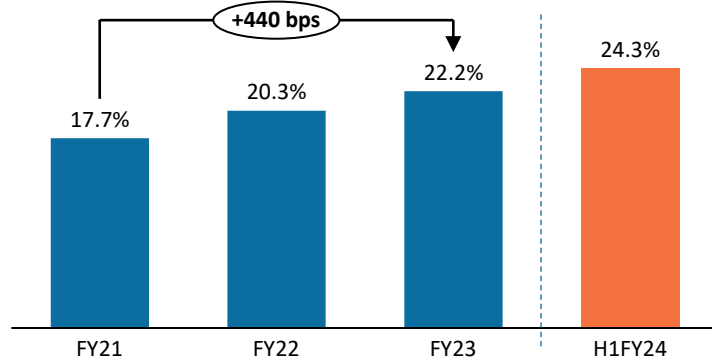
EBITDA (Rs Crs.)



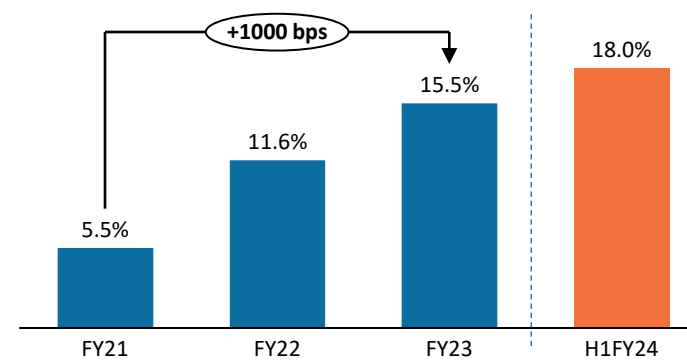
PAT (Rs Crs.)



EBITDA Margin (%)



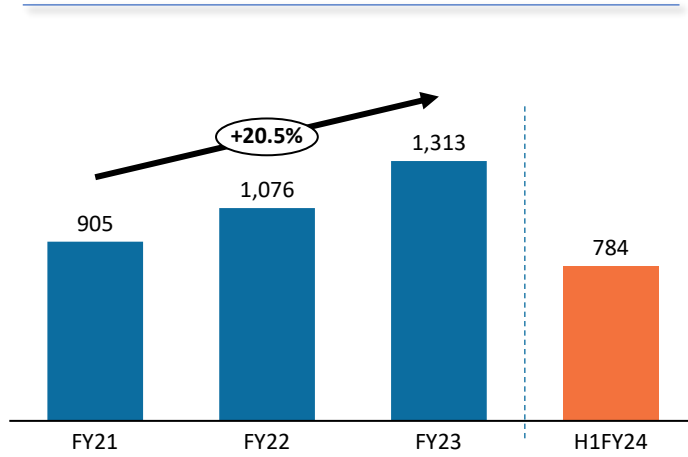
PAT Margin (%)



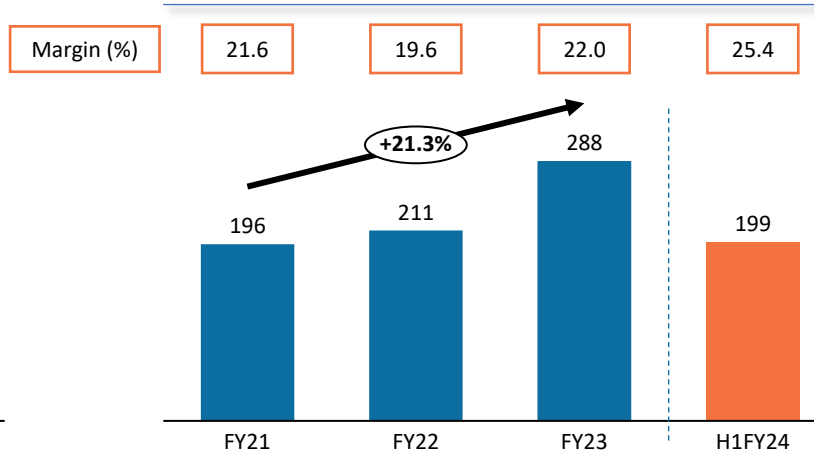
# Consolidated Historical Segment wise Financial highlights

Gear

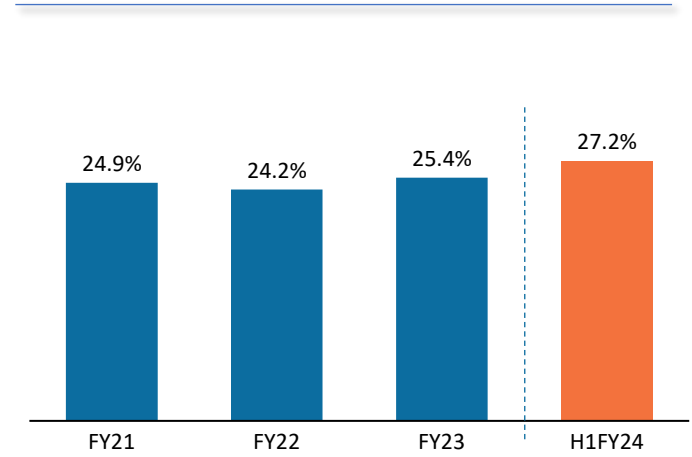
Revenue (Rs Crs.)



EBIT (Rs Crs.)

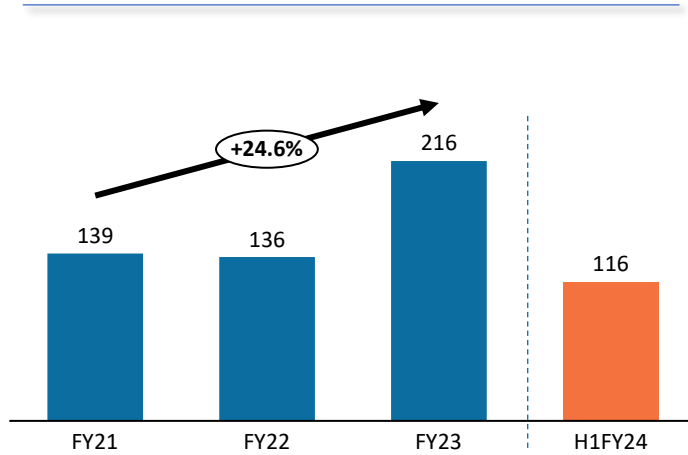


ROCE (%)

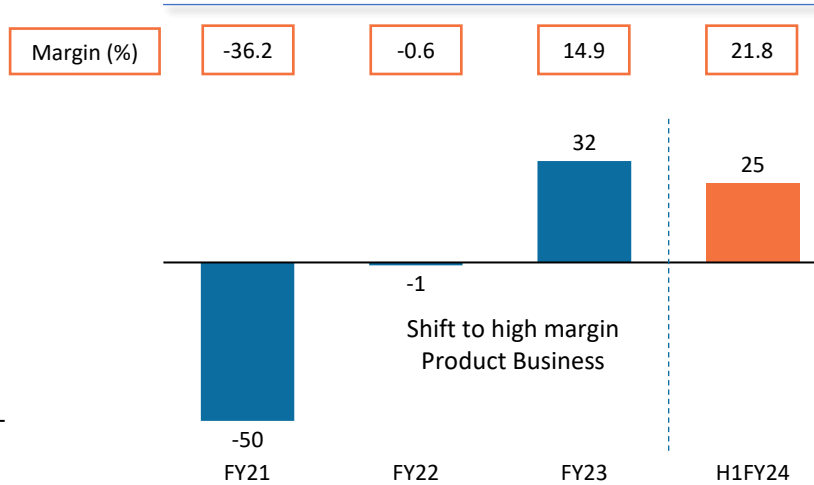


MHE

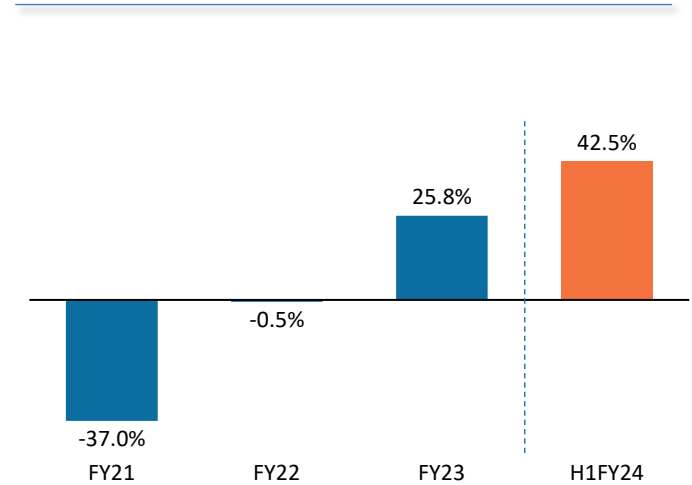
Revenue (Rs Crs.)



EBIT (Rs Crs.)

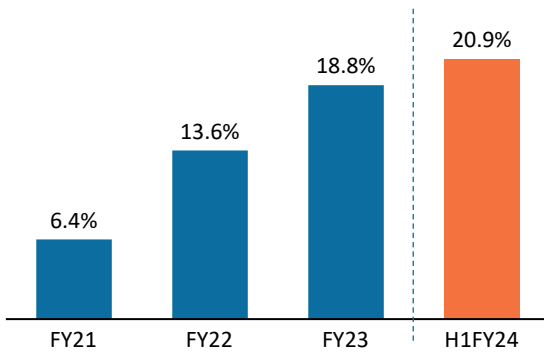


ROCE (%)

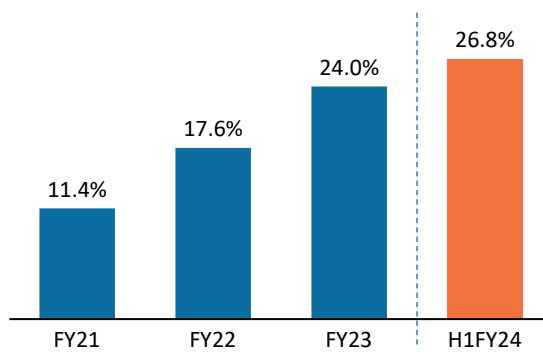


# Consolidated Historical Ratios

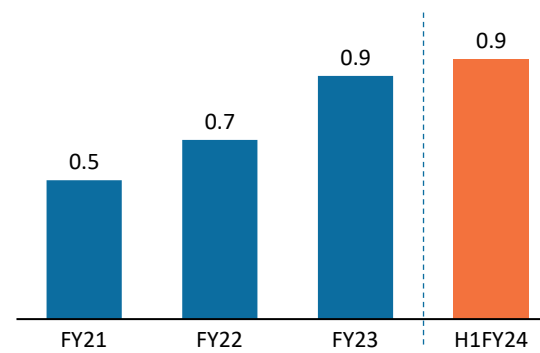
Return on Net worth (%)<sup>1</sup>



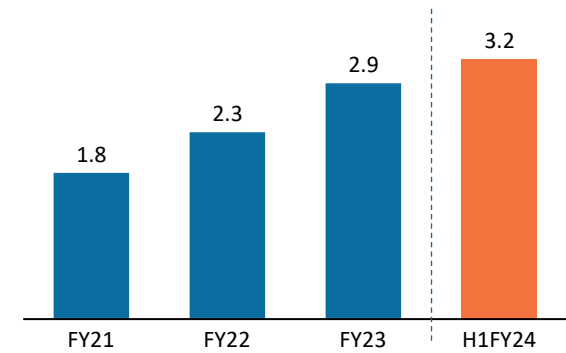
ROCE (%)<sup>2</sup>



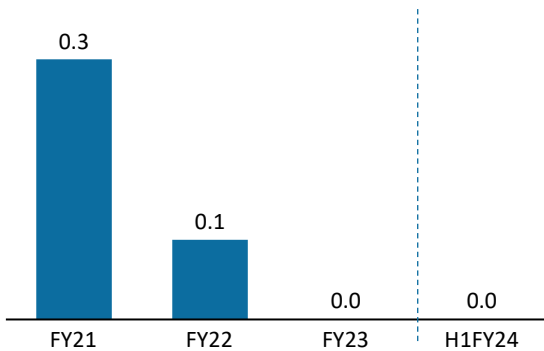
Total Asset Turnover (x)



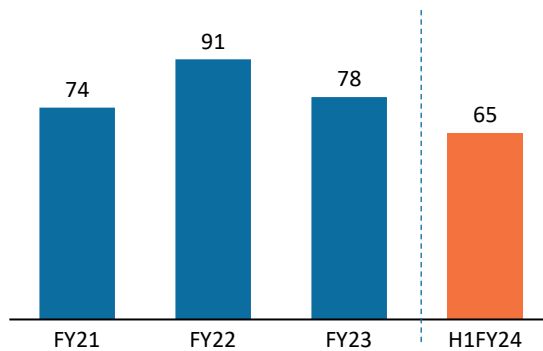
Net Fixed Asset Turnover Ratio (x)



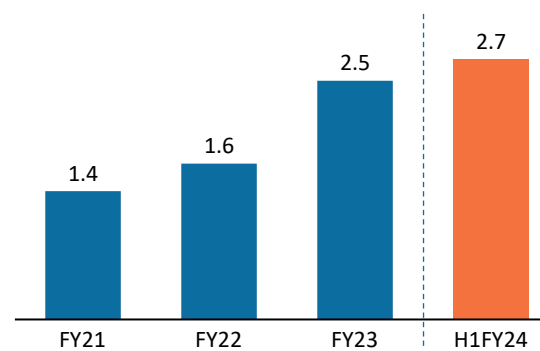
Debt to Equity (x)



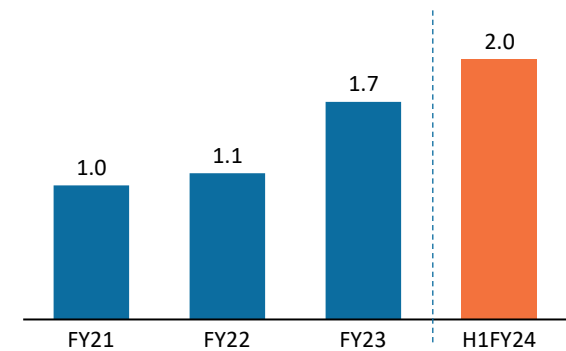
Working Capital Cycle (Days)



Current Ratio (x)



Quick Ratio (x)<sup>3</sup>



1. Net worth is calculated as Shareholder's Equity – Intangible Assets

2. Earning Before Interest and Tax (EBIT) is calculated as Profit Before Tax+ Finance Cost and Capital Employed is calculated as Shareholder's Equity + Long Term Borrowing + Short Term Borrowings + Deferred Tax Liabilities

3. Quick Assets is calculated as Total Current Assets – Inventories – Prepaid Expenses

# Historical Consolidated Profit & Loss Statement

Profit and Loss (Rs. Crs.)	FY23	FY22	FY21
<b>Revenue from Operations</b>	1,530	1,212	1,044
Operating Expenses	836	661	562
<b>Gross Profit</b>	<b>694</b>	<b>551</b>	<b>482</b>
<b>Gross Profit Margin</b>	<b>45.4%</b>	<b>45.4%</b>	<b>46.2%</b>
Employee Cost	150	128	118
Other Expenses	205	176	179
<b>EBITDA</b>	<b>339</b>	<b>246</b>	<b>185</b>
<b>EBITDA Margin</b>	<b>22.2%</b>	<b>20.3%</b>	<b>17.7%</b>
Other Income	20	9	6
Depreciation	49	49	52
<b>EBIT</b>	<b>310</b>	<b>206</b>	<b>139</b>
<b>EBIT Margin</b>	<b>20.3%</b>	<b>17.0%</b>	<b>13.3%</b>
Finance Cost	13	37	60
Share in profit of Associates	3	1	2
<b>Profit before Tax</b>	<b>300</b>	<b>171</b>	<b>81</b>
<b>PBT Margin</b>	<b>19.6%</b>	<b>14.1%</b>	<b>7.8%</b>
Tax	62	30	24
<b>PAT</b>	<b>237</b>	<b>140</b>	<b>58</b>
<b>PAT Margin %</b>	<b>15.5%</b>	<b>11.6%</b>	<b>5.5%</b>
EPS	21.17	12.52	5.14



# Historical Consolidated Balance Sheet

Assets (Rs Crs.)	Mar-23	Mar-22	Mar-21
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	527	523	548
Capital work-in-progress	0	1	0
Right to use of Assets/Investment Properties	82	70	59
Investment property (net)	25	25	25
Intangible Assets	18	15	18
Goodwill	103	106	107
Investment In Subsidiaries	57	54	53
<b>Financial Assets</b>			
(i) Investments	1	0	0
(ii) Others Financial Assets	9	2	10
(iii) Loans	0	0	0
Deferred Tax Assets(net)	2	4	5
Income Tax Asset	10	23	20
Other non-current assets	12	9	12
<b>Total Non-Current Assets</b>	<b>844</b>	<b>832</b>	<b>859</b>
<b>Current assets</b>			
Inventories	279	262	250
<b>Financial Assets</b>			
(i) Investments	19	0	0
(ii) Trade receivables	346	415	508
(iii) Cash and cash equivalents	82	84	96
(iv) Bank balances other than (iii)	128	28	45
(v) Loans	0	0	0
(vi) Other Financial Assets	9	68	196
Income Tax Asset	25	30	38
<b>Total Current Assets</b>	<b>888</b>	<b>887</b>	<b>1,134</b>
<b>Total Assets</b>	<b>1,732</b>	<b>1,719</b>	<b>1,993</b>

Equity and Liabilities (Rs Crs.)	Mar-23	Mar-22	Mar-21
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	22	22	22
Other Equity	1,257	1,028	897
<b>Shareholders Funds</b>	<b>1,279</b>	<b>1,050</b>	<b>919</b>
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	0	20	117
(ii) Lease Liability	40	32	32
Provisions	33	49	55
Deferred Tax Liabilities (Net)	26	28	30
Other non-current liabilities	1	0	0
<b>Total Non-Current Liabilities</b>	<b>100</b>	<b>129</b>	<b>235</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	0	80	169
(ii) Lease Liability	11	19	17
(iii) Trade Payables	214	270	424
(iv) Other Financial Liabilities	6	8	40
Other Current Liabilities	103	118	146
Provisions	13	23	26
Current tax liabilities (net)	5	21	17
<b>Total Current Liabilities</b>	<b>353</b>	<b>540</b>	<b>839</b>
<b>Total Liabilities</b>	<b>1,732</b>	<b>1,719</b>	<b>1,993</b>

# Historical Consolidated Cash Flow Statement

Particulars (Rs Crs.)	Mar-23	Mar-22	Mar-21
<b>Profit before Tax</b>	<b>300</b>	<b>171</b>	<b>81</b>
Adjustment for Non-Operating Items	50	106	148
<b>Operating Profit before Working Capital Changes</b>	<b>349</b>	<b>277</b>	<b>229</b>
Changes in Working Capital	27	-22	18
<b>Cash Generated from Operations</b>	<b>376</b>	<b>254</b>	<b>248</b>
Less: Direct Taxes paid	66	31	0
<b>Net Cash from Operating Activities</b>	<b>310</b>	<b>223</b>	<b>248</b>
Cash Flow from Investing Activities	-167	15	-19
Cash Flow from Financing Activities	-145	-250	-210
<b>Net increase/ (decrease) in Cash &amp; Cash equivalent</b>	<b>-2</b>	<b>-12</b>	<b>19</b>
Cash and cash equivalents at the beginning of the period	84	96	77
<b>Cash and cash equivalents at the end of the period</b>	<b>82</b>	<b>84</b>	<b>96</b>



# Thank You

**Company: ELCON ENGINEERING COMPANY  
LIMITED**

CIN: L29100GJ1960PLC001082



Shri Narasimhan Raghunathan / Shri Ashish R Jain

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

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

**Investor Relations: Strategic Growth Advisors Pvt. Ltd.**

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

CIN: U74140MH2010PTC204285

**SGA** Strategic Growth Advisors

Mr. Sagar Shroff / Ms. Prachi Chhugani

Email: [sagar.shroff@sgapl.net](mailto:sagar.shroff@sgapl.net) / [prachi.c@sgapl.net](mailto:prachi.c@sgapl.net)

+91 98205 19303 / +91 89492 92029

