



18th October, 2024

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. : Press Release of Board Meeting held on Friday, 18th October, 2024
Ref. : Regulation 30 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

In terms of the subject referred Regulation, please find enclosed herewith Press Release giving highlights on the performance of the Company for the quarter and half year ended on 30th September, 2024.

You are requested to take the same on your records.

Thanking you.

Yours faithfully,
For Elecon Engineering Company Limited,



Bharti Isarani
Company Secretary & Compliance Officer

Encl.: As above



Cranes



Rubber Industry



Marine Industry



Plastic Industry



Power Industry



Steel Industry



Sugar Industry



Mining



Cement Industry

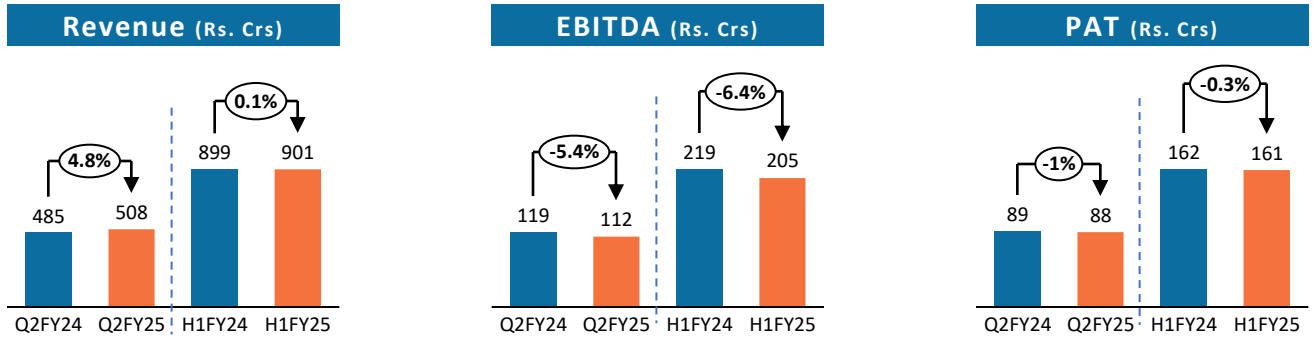
Gearing industries. Gearing economies.

ELECON ENGINEERING COMPANY LIMITED

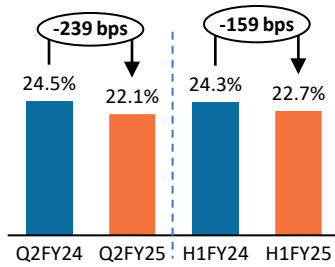
Q2 & H1FY25 Financial & Operational Performance Highlights

Vallabh Vidyanagar, Gujarat, 18th October 2024 – Elecon Engineering Company Limited, one of the largest Industrial Gear solution providers in Asia along with Material Handling Equipment, announced its Unaudited Financial Results for the quarter and half year ended 30th September 2024.

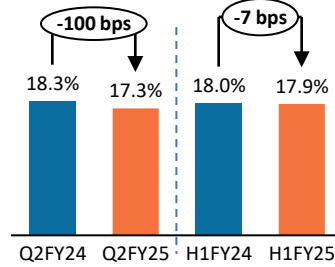
Q2 & H1FY25 CONSOLIDATED FINANCIAL HIGHLIGHTS



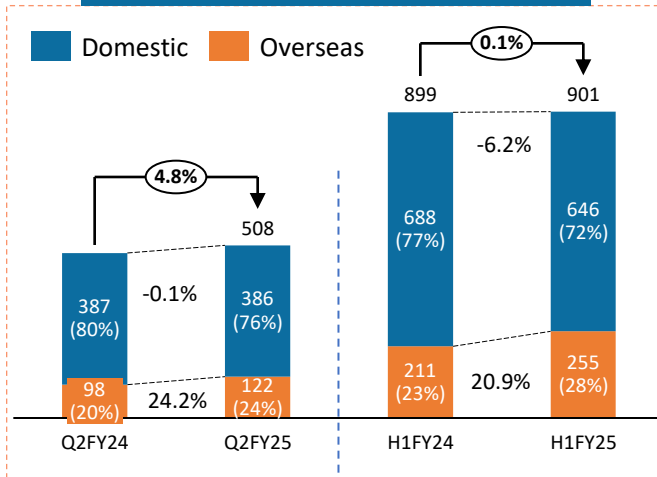
EBITDA Margin(%)



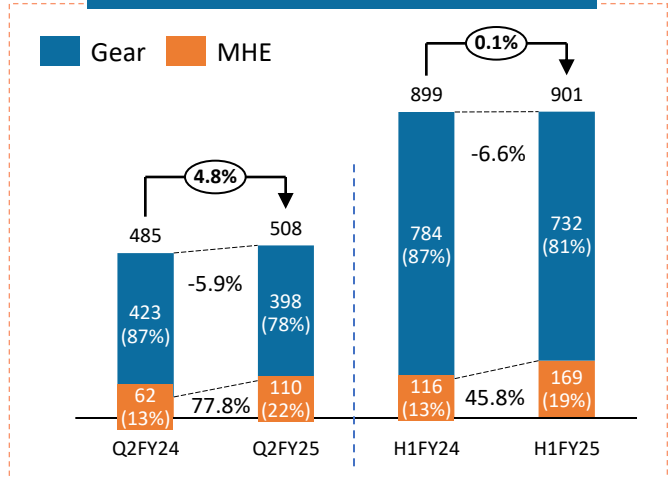
PAT Margin (%)



Geography Wise (Rs Crs., %)

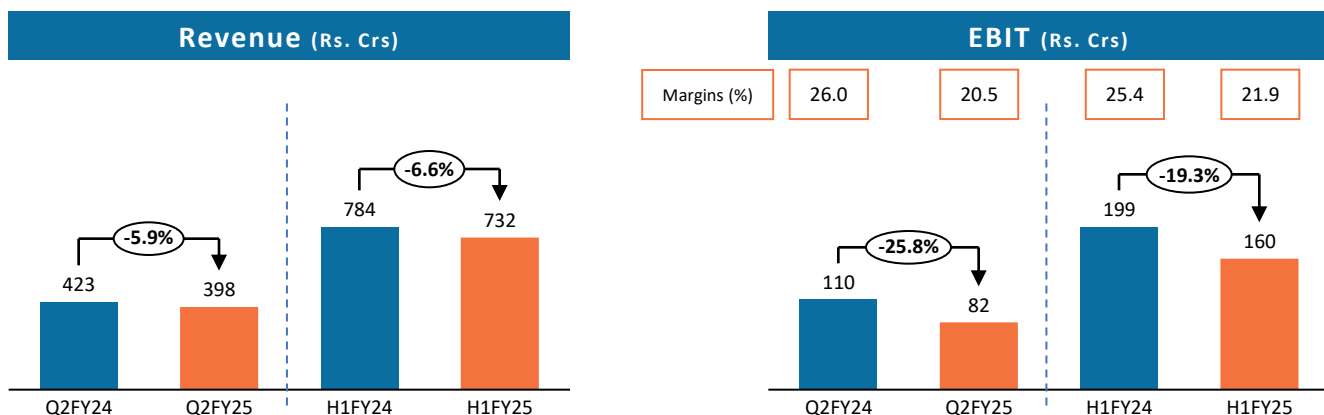


Segment Wise (Rs Crs., %)



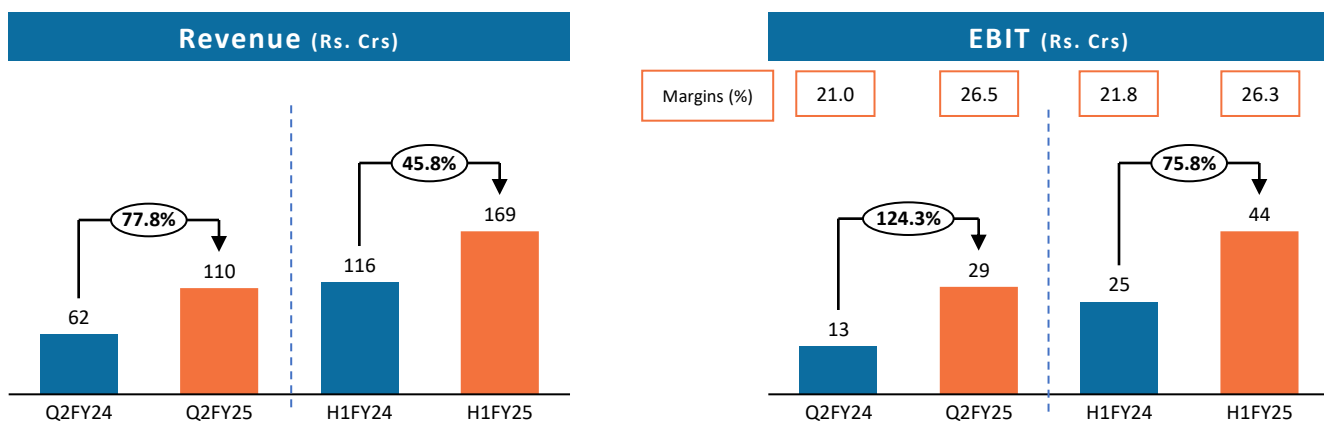
The Company is confident of achieving its Annual Guidance of FY25

Gear Division



- Revenue for Q2FY25 stood at **Rs. 398 Crs.** as compared to Rs. 423 Crs in Q2FY24. Revenue from **Gear division were impacted on account of delay in receipt of order from customers resulted in delay in execution within Q2FY25.** We anticipate faster execution in balance H2FY25 to achieve the overall guidance for FY25.
- EBIT for Q2FY25 stood at **Rs 82 Crs.** as compared to Rs 110 Crs. in the corresponding quarter last year. The EBIT Margin for the quarter ended September 2024 stood at **20.5%** as compared to 26.0% in the corresponding quarter last year.
- Margins in Gear division were primarily impacted on account of **higher freight costs and one time repair and maintenance expenses.**

MHE Division



- Revenue for the quarter stood at **Rs 110 Crs.** as compared to Rs 62 Crs. in the corresponding quarter last year, **growing 77.8% Y-o-Y.**
- EBIT for Q2FY25 stood at **Rs 29 Crs.** registering **a growth of 124.3% YoY.** The EBIT margins stood at **26.5%** as against 21.0% in Q2FY24, **an improvement of ~549 bps Y-o-Y** primarily on account of better product mix & higher contribution from the aftermarket segment.
- The company continues to focus on the business of supplying products & aftermarket business for its MHE segment which has led to sharp turnaround in the profitability for this segment. The company is consistently **securing new orders for product supply and capitalizing on growing opportunities in the aftermarket business.**
- Our focus on product supply and aftersales are yielding positive results and are optimistic of growth in coming quarters in the MHE segment.

Q2FY25 Highlights

- **Breakthrough for overseas market for MHE Division:** Successfully Secured an order from Overseas market valued of **USD 1.65 Mn** in Q2FY25.
- **Improvement in Credit Ratings:** LT -[ICRA] AA (Stable); ST: [ICRA] A1+ in July-24 improved from LT -[ICRA] AA-(Stable); ST: [ICRA] A1+ in June-23.
- **Interim Dividend:** Declared an interim dividend of **Re 0.50/- each** (i.e., 50%) per equity share of Face Value Re. 1/- each

*Commenting on the results, **Shri Prayasvin B. Patel, Chairman & Managing Director of Elecon Engineering Co. Ltd.** Said,*

For Q2FY25, Elecon reported consolidated revenues of ₹508 crores, reflecting a 4.8% year-on-year growth. The quarter's EBITDA stood at ₹112 crores, with EBITDA margins at 22.1%. Profit after Tax (PAT) for Q2FY25 was ₹88 crores, with PAT margins at 17.3%. Elecon remains the domestic market leader in Industrial Gear Solutions and Material Handling Equipment, offering cutting-edge manufacturing, top-tier products, and the capability to deliver customized solutions with minimal lead times.

In Q2FY25, our Material Handling Equipment (MHE) division saw a remarkable 77.8% year-on-year revenue growth, with EBIT margins improving by ~549 basis points to 26.5%. We expect continued growth in this segment, driven by infrastructure development, government initiatives, and an uptick in capital expenditure.

Our Gear division, however, experienced a 5.9% decline in revenue due to delay in order inflows. We see this as a temporary decline and expect to recover in the following quarters, remaining optimistic about overall revenue growth for FY25. Margins in the Gear division were affected by higher freight costs and changes in the product mix.

Internationally, we are progressing toward our target of generating 50% of our revenue from overseas markets by FY30. In Q2FY25, international business contributed approximately 24% of our total consolidated revenue. With strong support from OEMs and ongoing brand-building efforts, we are confident in reaching this goal.

Through strategic alliances in global markets, continued investment in R&D and product development, and a focus on the MHE segment, we are confident in outperforming industry trends and achieving our long-term goals. Our priority remains sustainable revenue and profitability growth, creating long-term value for our shareholders.



About Elecon Engineering Company Limited:

Elecon Engineering Company Limited (ELECON) was established in 1951 and is one of the largest manufacturers of Industrial Gears and Material Handling Equipment with seven decades of experience and expertise in Asia. The company has been able to establish its position as one of Asia's largest and India's largest Industrial Gear Manufacturing Company, having manufacturing facility spread over 3,35,000 Square Meter. The company has a strong global presence serving 85+ countries through a network of distributors, dealers and customer representatives. The product solutions include designing, manufacturing, supply, erection and commissioning of the products and are majorly used in Cement, Sugar, Defense, Steel, Mining and Power sector along with other sectors

Safe Harbor

This document may contain forward-looking statements about Elecon Engineering Company Limited and its Subsidiaries, which are based on the beliefs, opinions, and expectations of the company's management as the date of this Investor release and the companies do not assume any obligation to update their forward-looking statements if those beliefs, opinions, expectations, or other circumstances should change. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. Consequently, readers should not place any undue reliance on such forward-looking statements.

For more information, please contact



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CIN: L29100GJ1960PLC001082

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For updates and specific queries, please visit www.elecon.com

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