

ELECON ENGINEERING COMPANY LIMITED

Vallabh Vidyanagar
Gujarat

29th MAY, 2012



ELECON 

Always a step ahead in technology

Five decades of breakthrough innovations in Material Handling Equipments (MHE) and Industrial Gears with a vision in all operational fronts, from technology to quality standards, product to value addition and performance

India's one of the Largest Manufacturer of Material Handling & Power Transmission Equipment

“Always a step ahead in technology”

First to Introduce in India

- Stacker Reclaimer at Santaldih Power Station
- Barrel reclaimer at Bokaro steel
- Case hardened and ground helical modular gear boxes *in late 70's*
- Mono block universally adaptable design worm gears
- Mono block universally adaptable modular helical series
- CNC machineries

Our Unique Strengths

- Capable to design complete Stacker Reclaimer Machine from basics
- Able to design open cast mining conveyors of high capacity in the range from 11,000 to 20,000 tones/hour
- Capable to design large size Planetary gear boxes for various applications
- Able to manufacture and test very large gear boxes for the Indian Navy

JOURNEY TOWARDS EXCELLENCE

1951-1970

- **THE PROMOTERS WERE PIONEERS IN DEALING IN MATERIAL HANDLING EQUIPMENTS IN INDIA SINCE 1951.**
- **ELECON ENGINEERING COMPANY LIMITED (“ELECON”) WAS FIRST INCORPORATED AS A PRIVATE LIMITED COMPANY ON 11TH JANUARY, 1960.**
- **CONVERTED INTO A PUBLIC LIMITED COMPANY ON 28TH NOVEMBER, 1961.**
- **LISTED ON BOMBAY STOCK EXCHANGE (BSE) IN FY1963**

1971-1995

- **SET UP OF SEPERATE GEAR DIVISION IN 1976**
- **GETS ISO 9001 CERTIFICATIONS FOR GEAR DIVISION IN NOVEMBER 1994.**

1995-2012

- **VARIOUS TECHNOLOGICAL COLLABORATION FOR CONVEYOR SYSTEMS AS WELL AS GEARS.**
- **ISO 9001:2008 VERSION IN 2010 & TUV FOR WORM AND HELICAL FOR GEAR DIVISION**
- **2003-04 CONTRACT FOR SIX CDOG MARINE GEAR.**
- **CW CONSTRUCTION GIVES PRESTIGIOUS AWARD BY RANKING ELECON ENGINEERING NO.1 FOR ITS FASTEST GROWTH.**
- **LISTED ON NATIONAL STOCK EXCHANGE (NSE) IN FY2006**
- **ACQUISITION OF BENZLERS RADICON OF DAVID BROWN.**

ELECON – AT A GLANCE

CREATED A HISTORY IN ITS JOURNEY UP TILL NOW AND REACHED A MILESTONE OF ACHIEVED THE TURNOVER OF RS. 1332 CRORES IN FY12.

- Professionally managed company
- Credit Rating: For four years in a row the Company has retained the highest Credit Rating “**A1+**” (**New symbol of PR1+ is CARE A1**)for the Short Term borrowings and 2nd highest Credit Rating “**CARE AA-**” for long term borrowings as rated by Credit Analysis and Research Ltd. (Care Ltd.)
- CARE Research EQUIGRADE has assigned a fundamental grade of 4/5 indicating “**Very Good Fundamentals**” and a valuation grade of 5/5 indicating “**Considerable Upside Potential**” to the equity shares of EECL.
- Staff Strength as on March 31, 2012 stood at 1290.
- Committed towards corporate social responsibility, environment protection, implement of safety measures & conservation of natural resources
- Elecon Group spends at least Rs. 2 Crores annually on Information and Technology.
- Web based Oracle application ERP implemented for total integration of Production, Planning, Purchase, Sales, Order Execution and Finance.

NATION- WIDE NETWORK & COVERAGE

- In view of a widely spread customer base across the country, company have more than 90 dealers and 181 design engineers looking into daily requirements of clients.
- All branches are equipped with exclusively trained application and after sales service engineers, who are keen to serve clients and challenge any problem.
- Enhanced project management and service capabilities.

ELECON SERVICE NETWORK

National Branches



AHMEDABAD:
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Fax: 26401363
E-mail: sales@ahdemtelco.elecon.com

ASANSOL:
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E-mail: salesasn@asnemtelco.elecon.com

BANGALORE:
Tel.: (080) 22260219, 22250082. Fax: 22281834
E-mail: salesbgl@bgltemtelco.elecon.com

BILASPUR:
Tel.: (07752) 228922, 224122. Fax: 223188
E-mail: salesbil@bilemtemtelco.elecon.com

CHENNAI:
Tel.: (044) 24349497, 24349237. Fax: 24349643
E-mail: salesmad@mademtelco.elecon.com

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Tel.: (0326) 2306283, 2302320. Fax: 2302320
E-mail: salesdhn@dhnemtelco.elecon.com

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Tel.: (0731) 2576100

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Tel.: (0657) 2362376, 2361837. Fax: 2428015
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Tel.: (033) 24761861, 24760876. Fax: 24761831
E-mail: salescat@catemtelco.elecon.com

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Tel.: (022) 22621315, 22620725.
Fax: 22870791
E-mail: salesbom@bomemtelco.elecon.com

MUMBAI-2 (Goregaon):
Tel.: (022) 56999134. Fax: 26860503
E-mail: salesgorg@gorgemtelco.elecon.com

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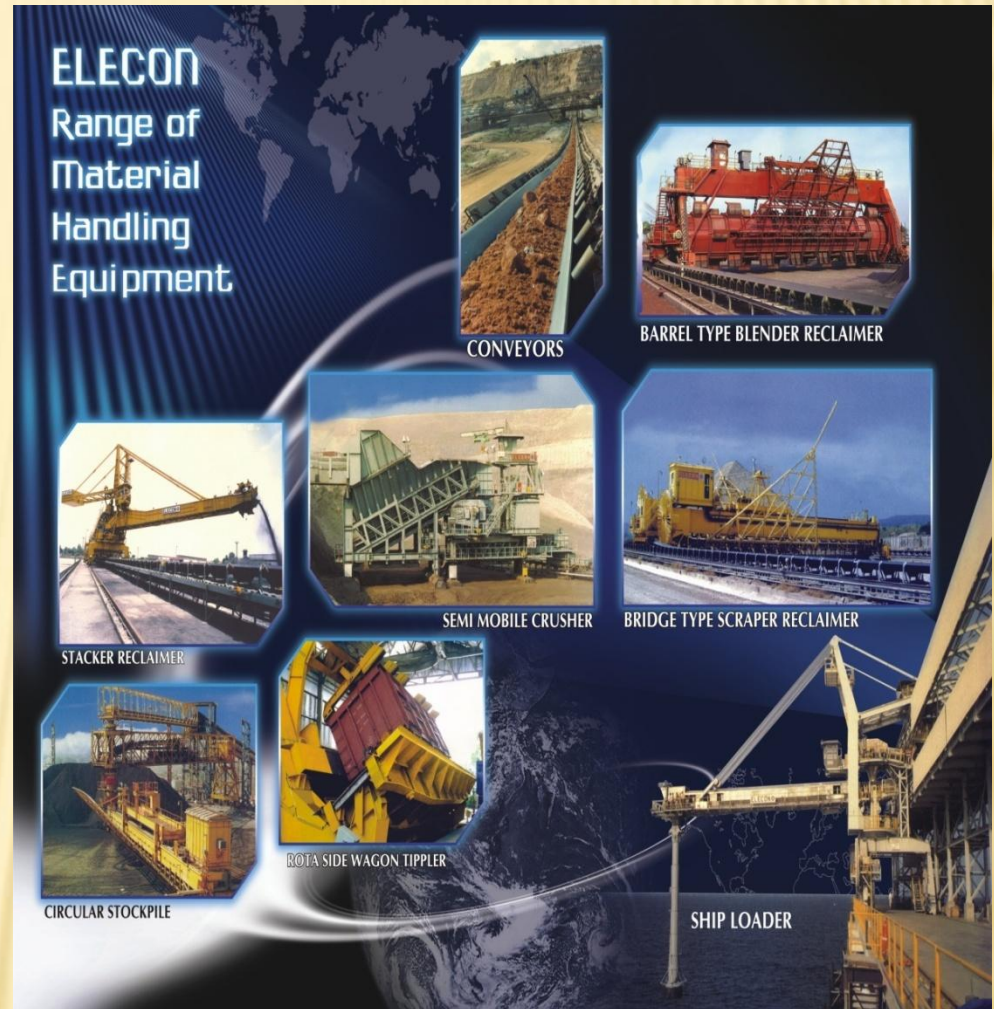




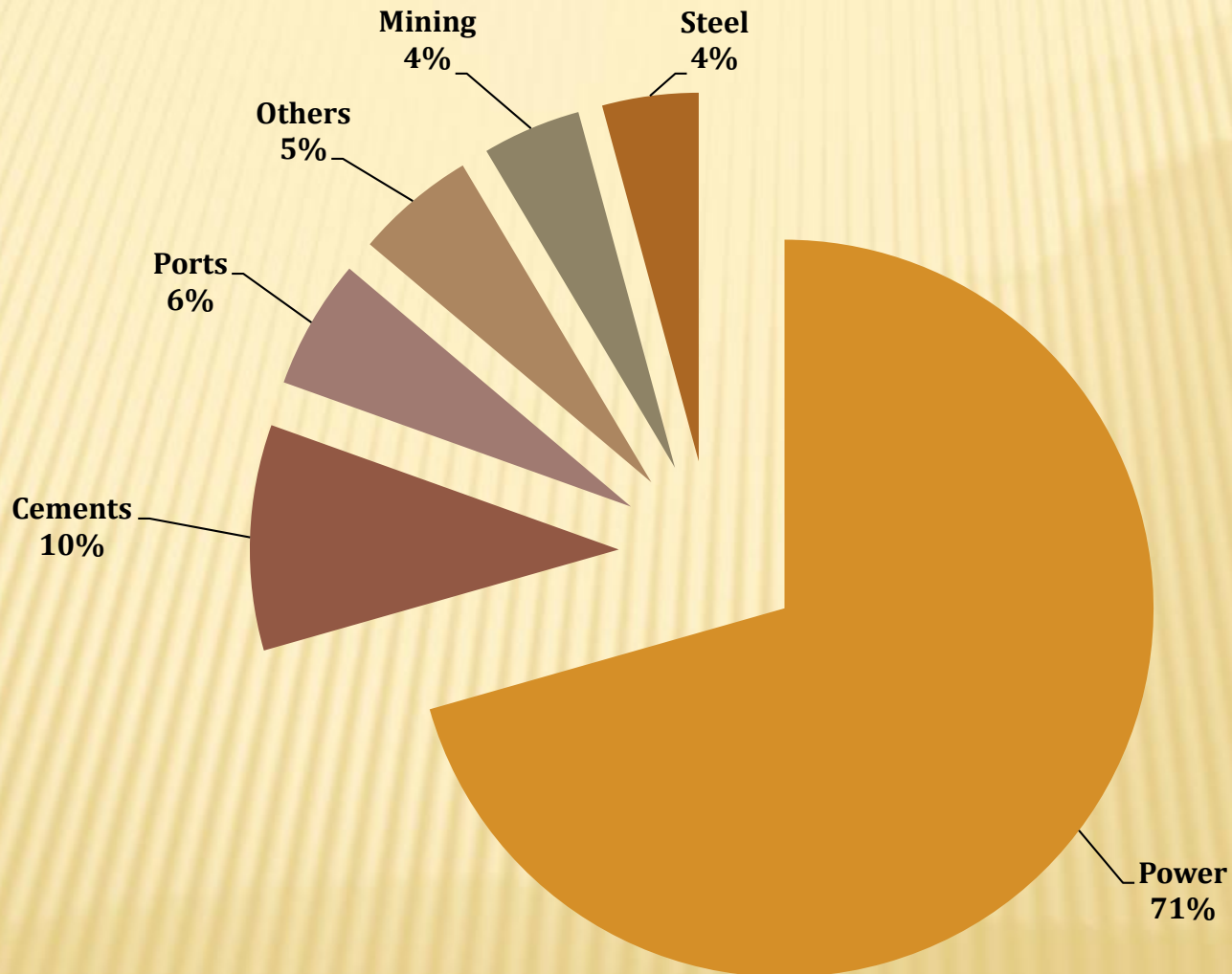
Manufacturing activities in the Heavy Fabrication Shop

KEY PRODUCTS / APPLICATION

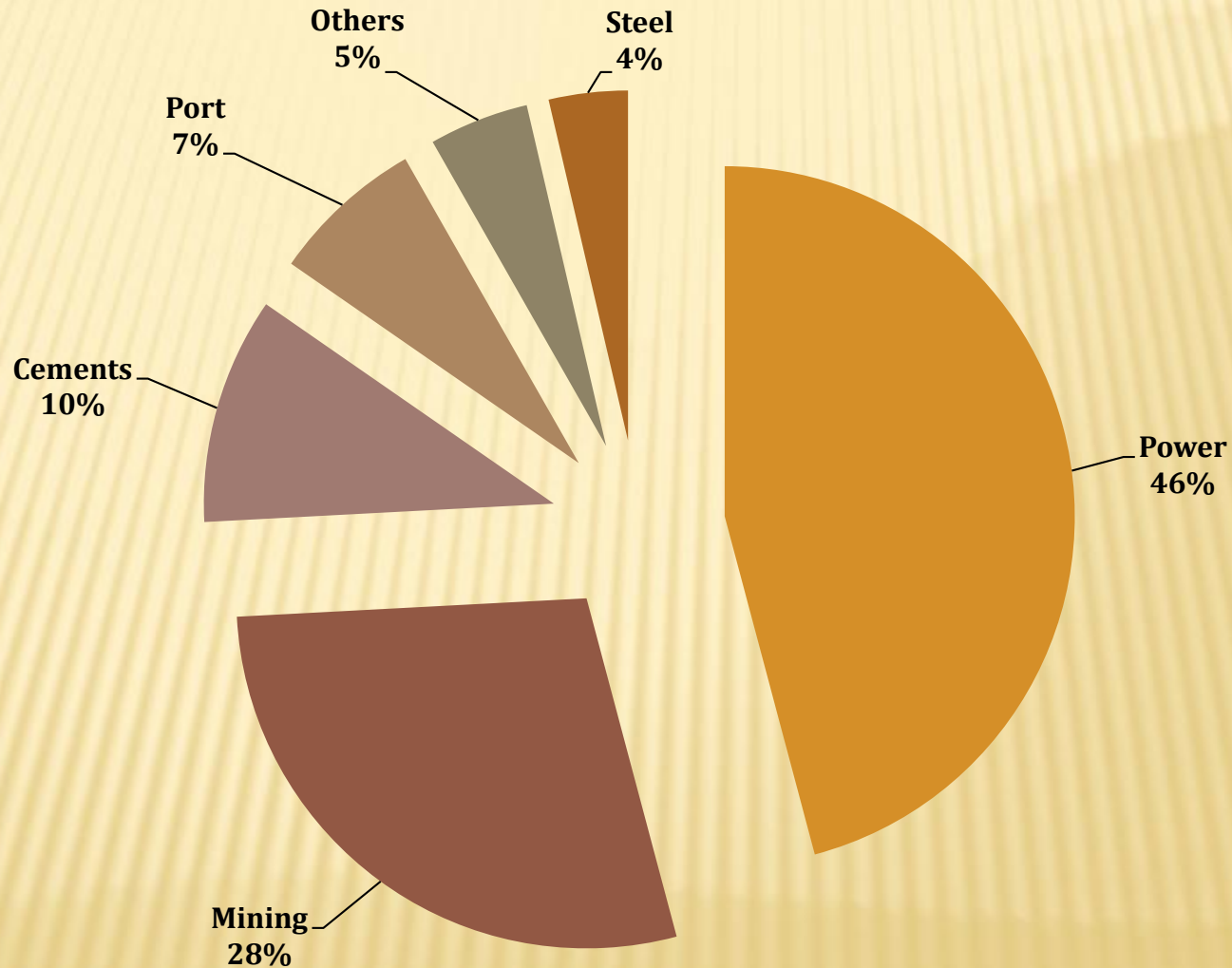
- Coal Handling Plants for Thermal Power and Mines projects.
- Raw Material Handling, Crushing and blending system for Cement plants.
- Ore handling and Stock yard equipments for steel plants.
- Product and Bag handling plants.
- Overburden and Coal/Lignite handling system for Open Cast Mine.



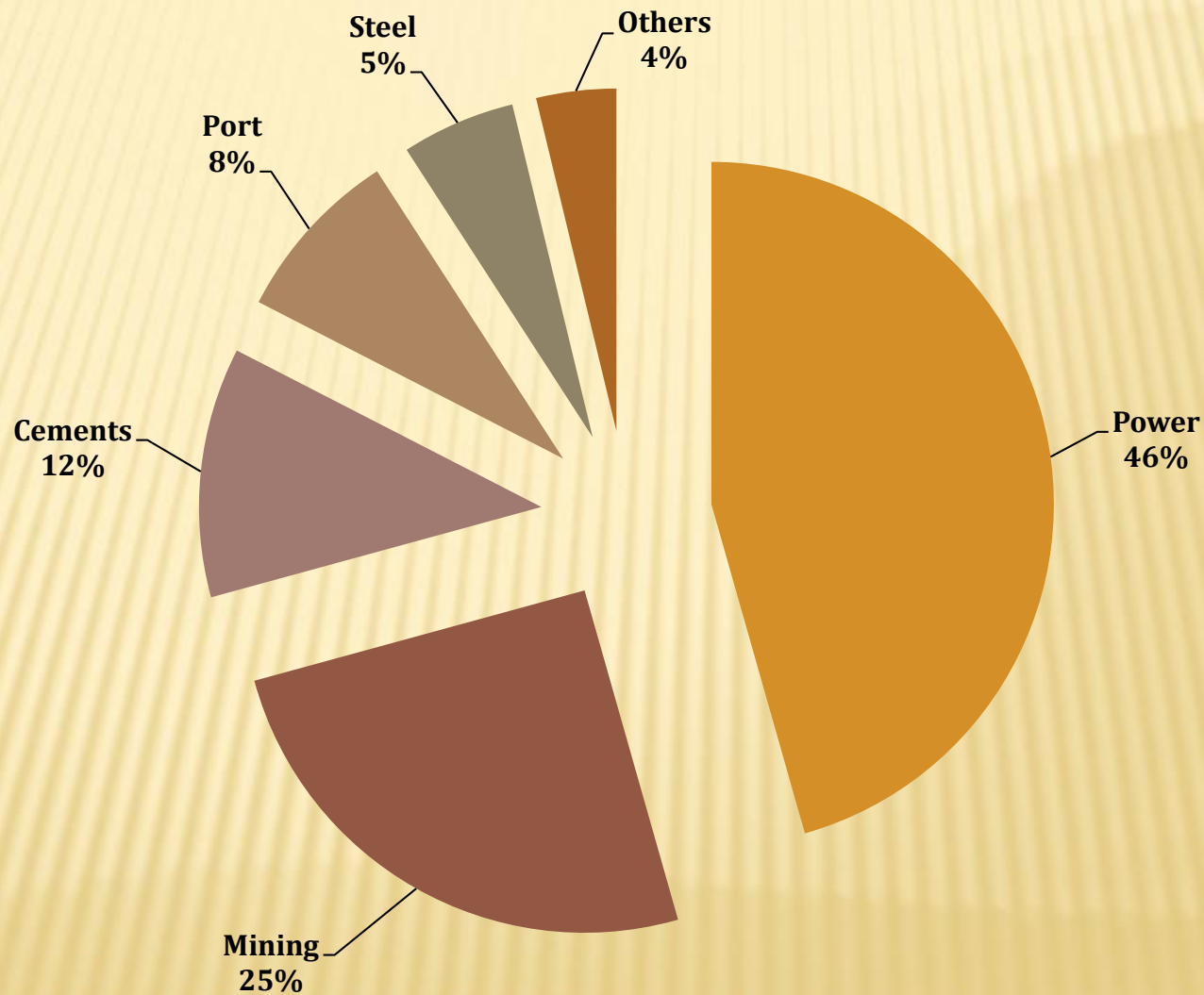
INDUSTRY WISE BREAKUP OF TURNOVER OF MHE DIVISION FROM 1ST APRIL, 2011 TO 31ST MARCH, 2012



INDUSTRY WISE BREAKUP OF ORDER BOOKING OF MHE DIVISION FROM 1ST APRIL , 2011 TO 31ST MARCH, 2012



INDUSTRY WISE BREAKUP OF PENDING ORDER OF MHE DIVISION (AS ON 31ST MARCH , 2012)



GROWTH DRIVERS

11th 5 Yr Plan for Power Sector

- NEP (National Electric Policy) envisages effective plans for power based projects.
- 10th Plan actual investment was 48,000 MW.
- 11th Plan projects a revised capacity addition of 55,000 MW.
- Present installed power generation capacity of India is over 1,85,000 MW.
- In 12th Five year (2012-17) plan 1,00,000 MW additional capacity will be installed at a cost of 4,80,000 Crores.

GROWTH DRIVERS

- Mining investments are expected to pick up in tandem with implementation of ultra mega power projects in country as these are coal fired.
- Companies in Steel sector have been seriously engaged in acquiring existing global companies for getting immediate returns on investment. The above shall mean possibility of supplying equipments from India.

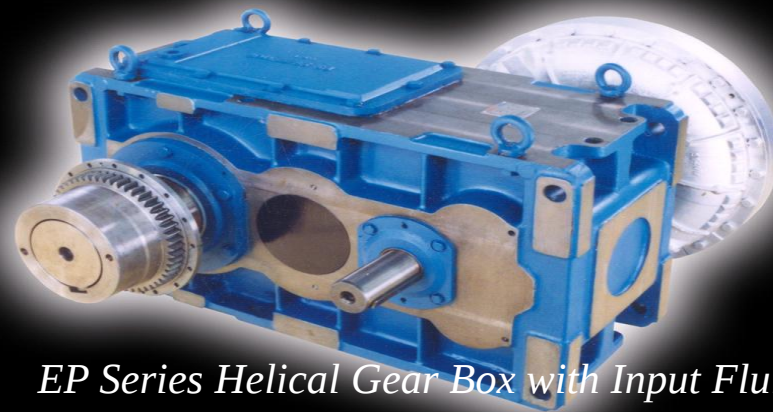
A decorative border in a dark red color, shaped like a scroll. It starts with a small circle at the top right, goes left, then down, then right, and ends with a small circle at the bottom right.

Industrial Gears

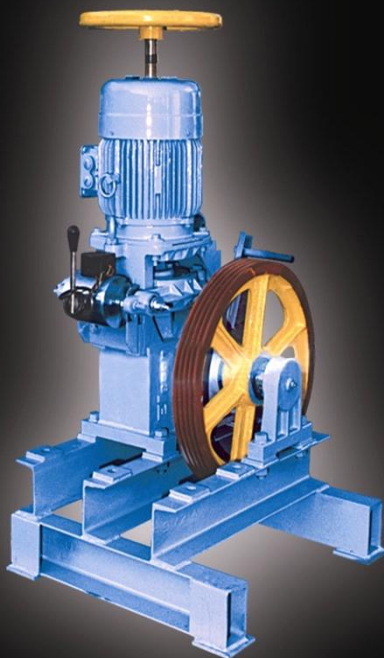


Gear Manufacturing Shop

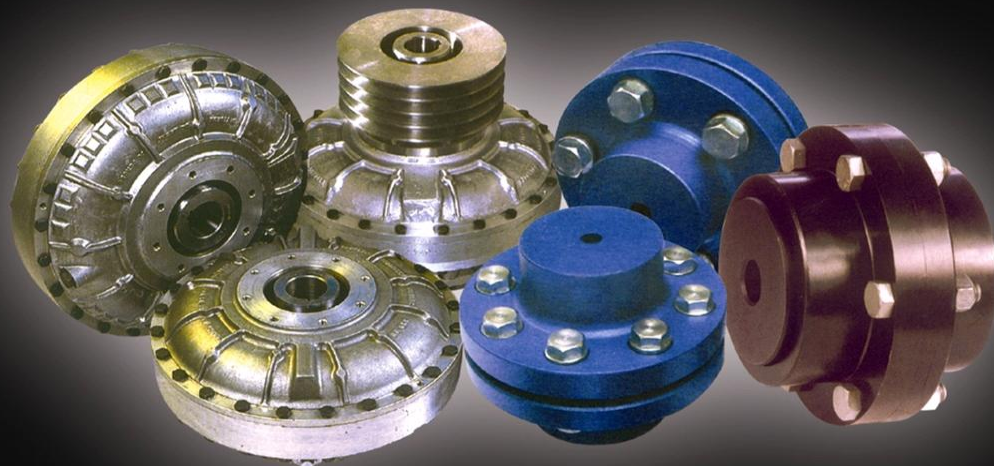
Key Products



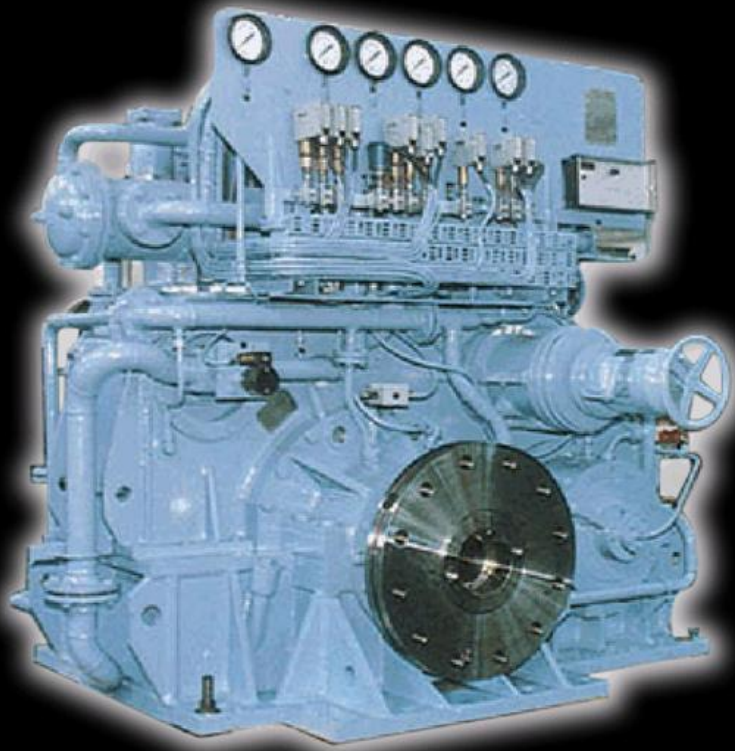
*EP Series Helical Gear Box with Input Fluid
Coupling & Output Geared type coupling*



Elevator / Lift Application Worm Gear



Fluid, Geared and Flexible Couplings



*Marine Helical Reduction Gearbox for
C.P.P. drive of off-shore patrol vessel*

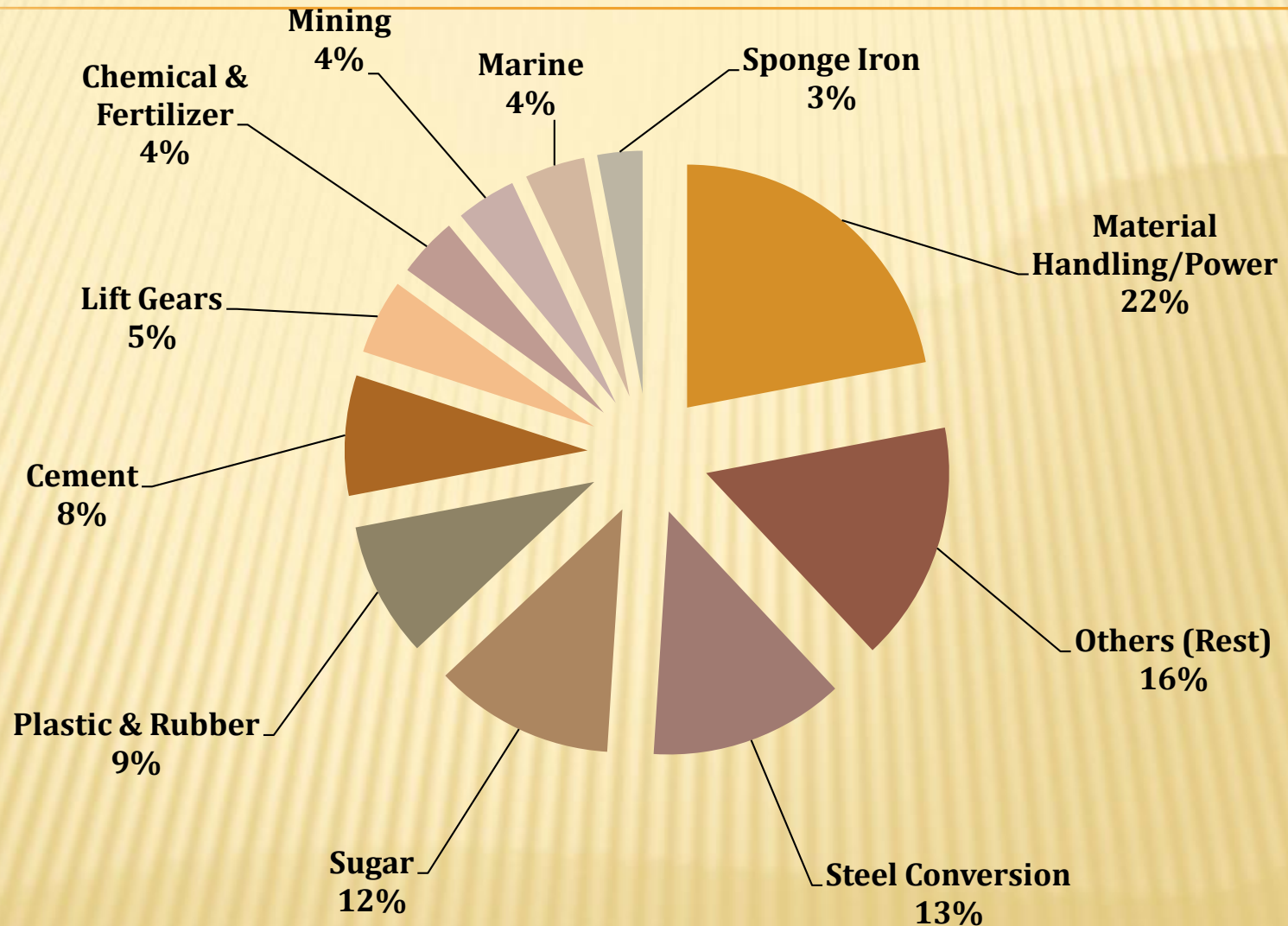
*Dual Tandem Gear Box for
Sugar Mill & Kiln Drive*



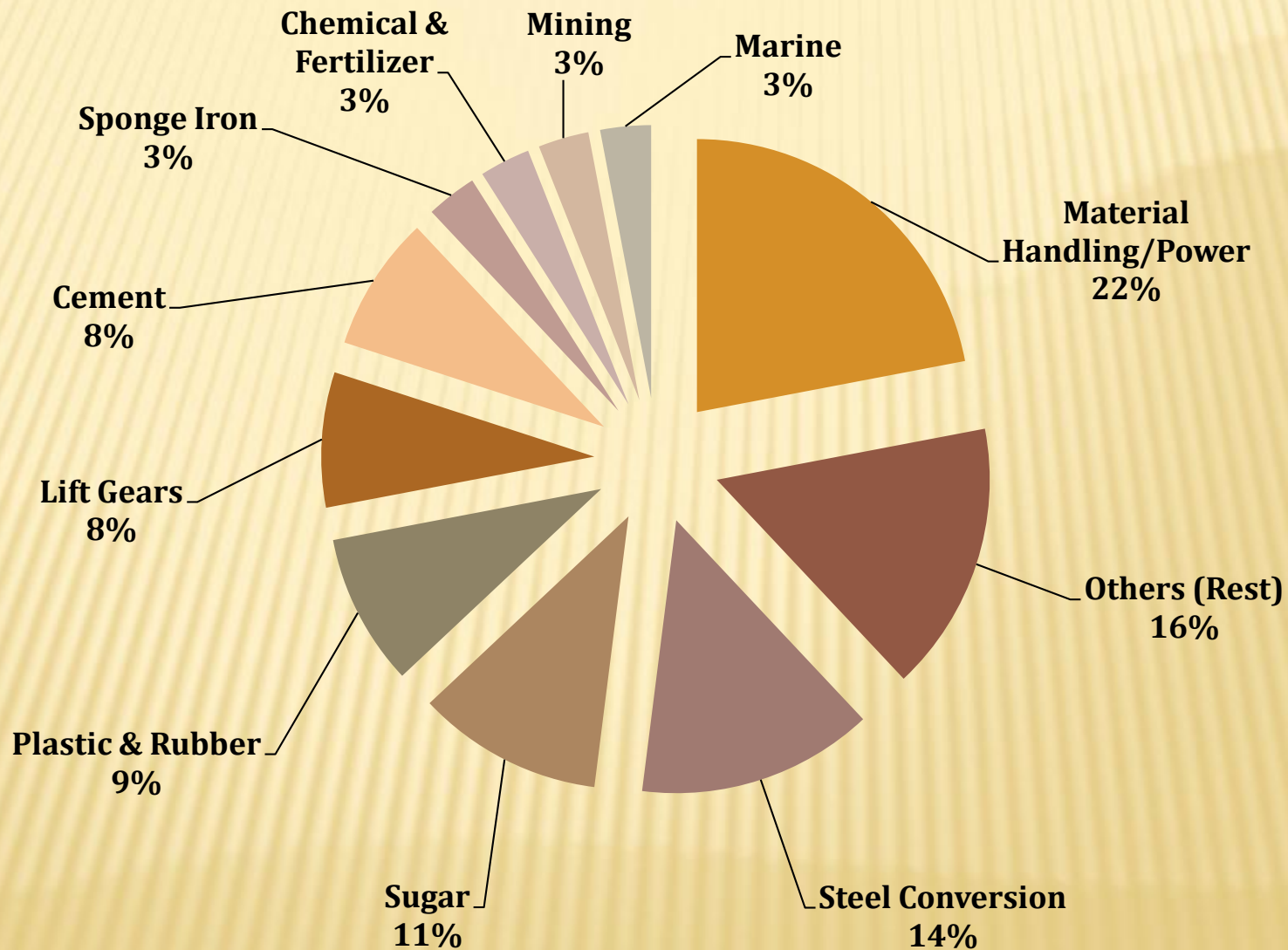
GROWTH DRIVERS

- Prospective New Segments
 - A) Alternate Energy Sector.
 - B) Vertical Roller Mills for Cement & Coal Mining Industry.
 - C) Lift Gears.
 - D) Defense especially Navy.
- Growth in Exports

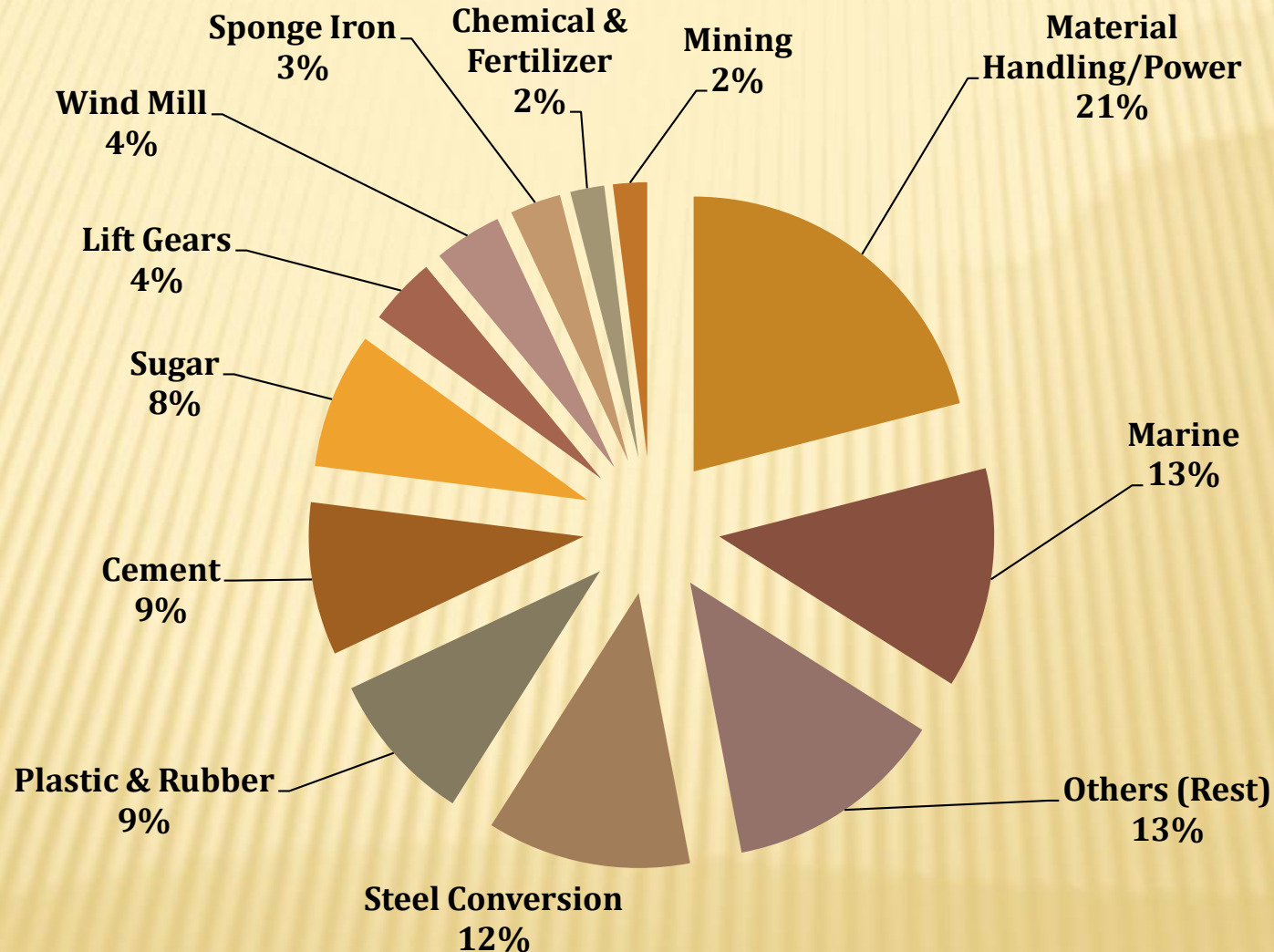
INDUSTRY WISE BREAKUP OF TURNOVER OF GEAR DIVISION FROM 1ST APRIL, 2011 TO 31ST MARCH, 2012



INDUSTRY WISE BREAKUP OF ORDER BOOKING OF GEAR DIVISION FROM 1ST APRIL ,2011 TO 31ST MARCH,2012



INDUSTRY WISE BREAKUP OF PENDING ORDER GEAR DIVISION (AS ON 31ST MARCH, 2012)





Windmill



- The wind electric generator, a green power source has made considerable progress in last few years.
- Total installed capacity in India, stood at around 16,078 MW as on December 31, 2011 against 11,807 MW as on March 31, 2010,
(Source: Indian Wind Energy Association)
- India now occupies an enviable position as the wind leader in Asia, and in terms of wind power installed capacity, India is ranked 5th in the World.
- Exploring export market for windmill segment.

EXPORT ENVIRONMENT OUTLOOK

- Order received from Reflecting Blues Technologies of USA for **Six Turbo winds T600-48DS** Rs. **16.50 Cr.**
- Export Invoicing target for MHE & GEAR Division during the year 2012-13 is around Rs. 85 to 90 Crores.
- For Gears major International players are SEW, Hansen and Flenders etc.
- Growth in Exports by :
 - Business from USA through RADICON
 - Brasil through New associates
 - EU/FEA with Benzler Radicon support
 - Through our Overseas offices



Future Plans

FUTURE PLANS

- Higher value addition with thrust on high level of technology to improve margins for Gear Division.
- Exploring following new segment(s)/product(s) for higher growth
 - 1) Defense - Navy
 - 2) High speed gears
 - 3) Gears for Plastic Industry
- Mineral processing, coal washeries, etc. through complementary technology to acquire more business in MHE.
- Windmill Farms
- Aggressively pursuing to explore international markets and targeting to achieve export turnover to the extent of 8% to 10% of total turnover.

COLLABORATION/JV

- Entered into an agreement with CKIT Conveyor Engineers, Johannesburg, South Africa for Pipe Conveyor Technology, Trough Belt Conveyor Technology and Technology for Idler Frames.
- The Company, for the first time, is developing high speed conveyor with consultancy support from M/s. Conveyor Dynamics Inc. USA.
- Entered into Technical Collaboration Agreement with Renk, AG of Germany to design & manufacture gearbox for Vertical Rolling Mill to be used in Cement and Coal Industry.
- Signed a Technical Collaboration Agreement for availing the technology to design and manufacture the Lift Gear box with Haisung Industrial Company Limited of Korea.

COLLABORATION/JV

Collaboration / JV in MHE

- **Weserhutte Gmbh**
- **Gustav – Schade – Germany**
- **Aulmann – West Germany**
- **Strachan & Hanshaw**
- **CKIT conveyor Engineerings**
- **Schade fordertechnik Gmbh**
- **Hunor manufacturing Corporation**
- **KOCH transport Technik Gmbh**

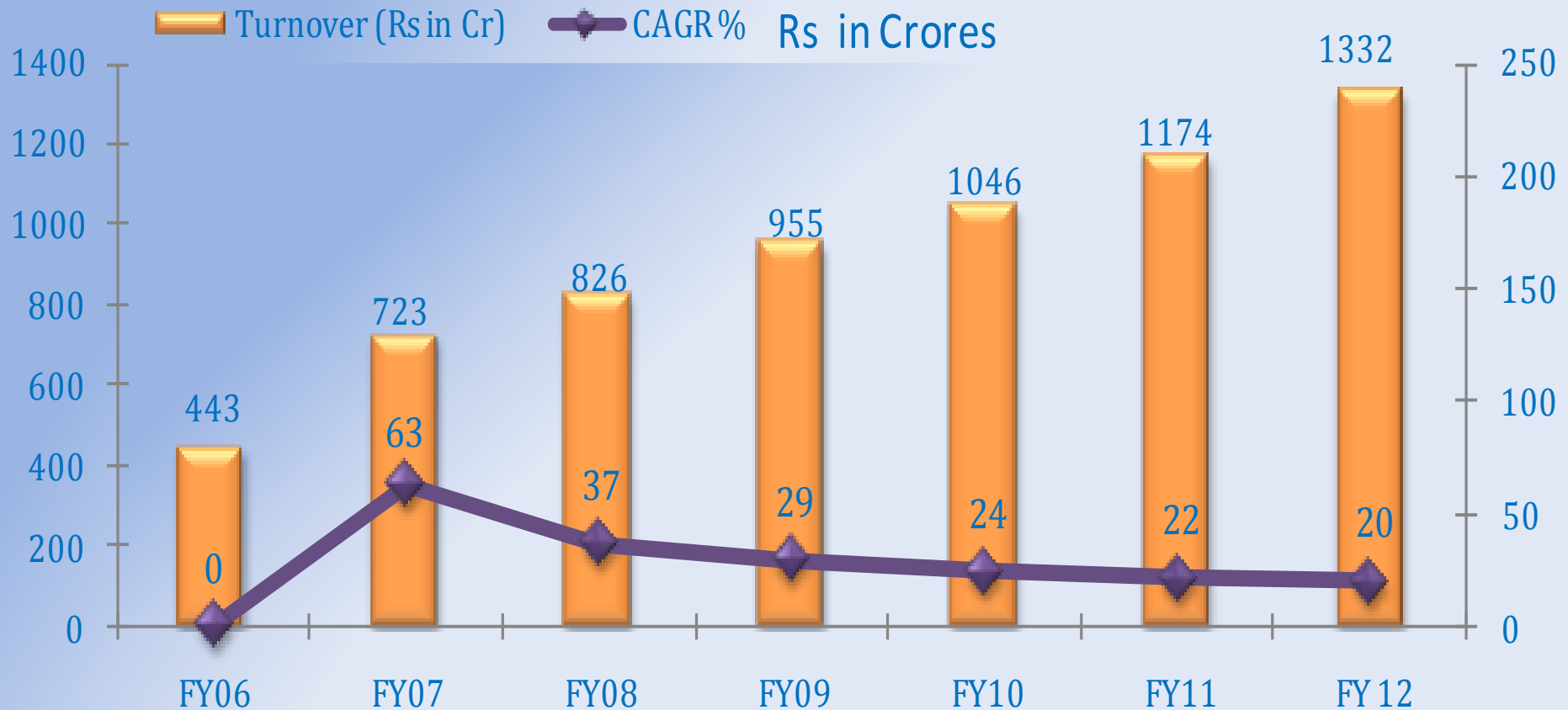
Collaboration/ JV in GEAR

- **Haisung Industrial system : For lift gear box.**
- **Renk AG : For vertical roller mill gear box**

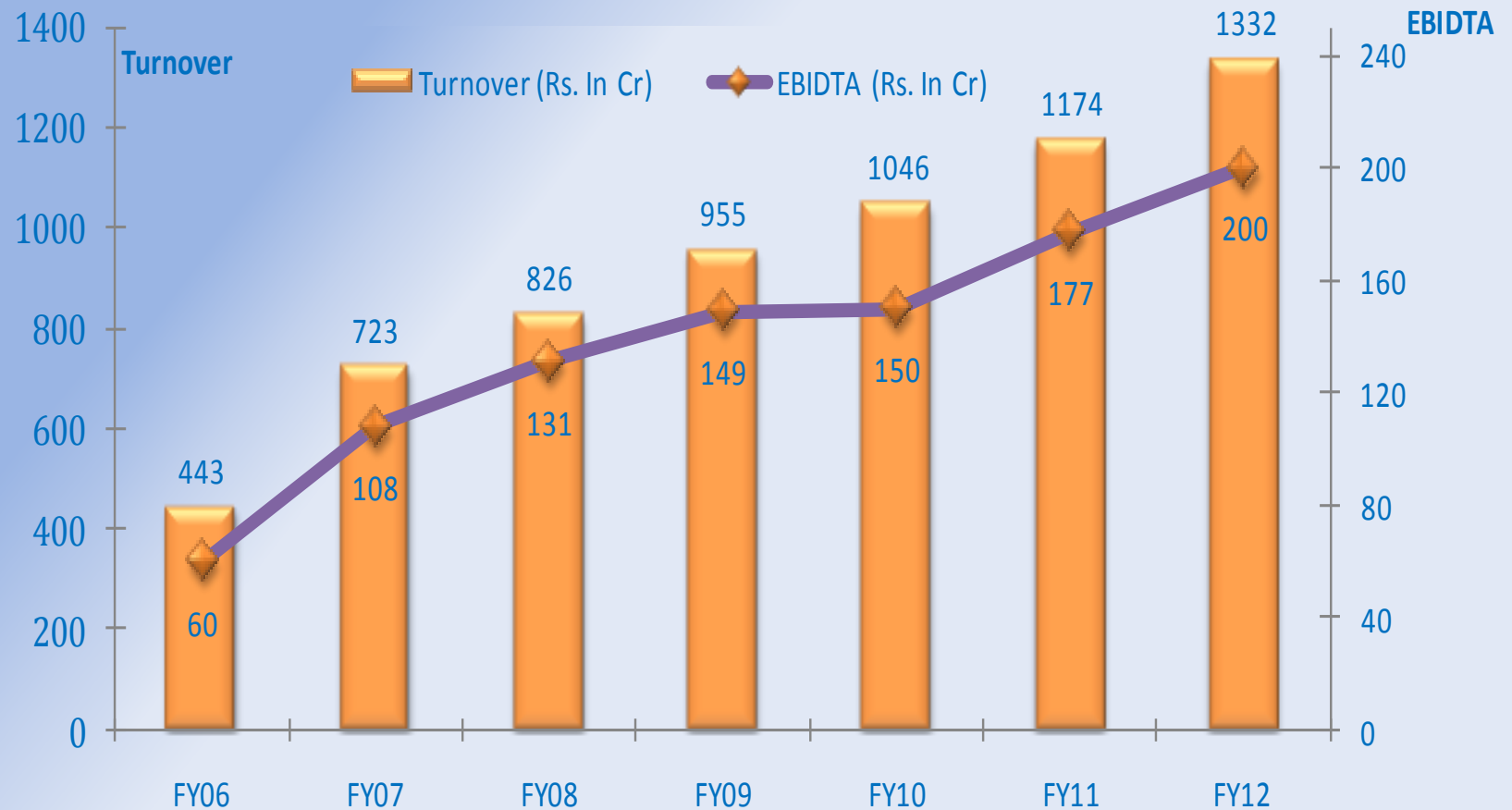


Financials

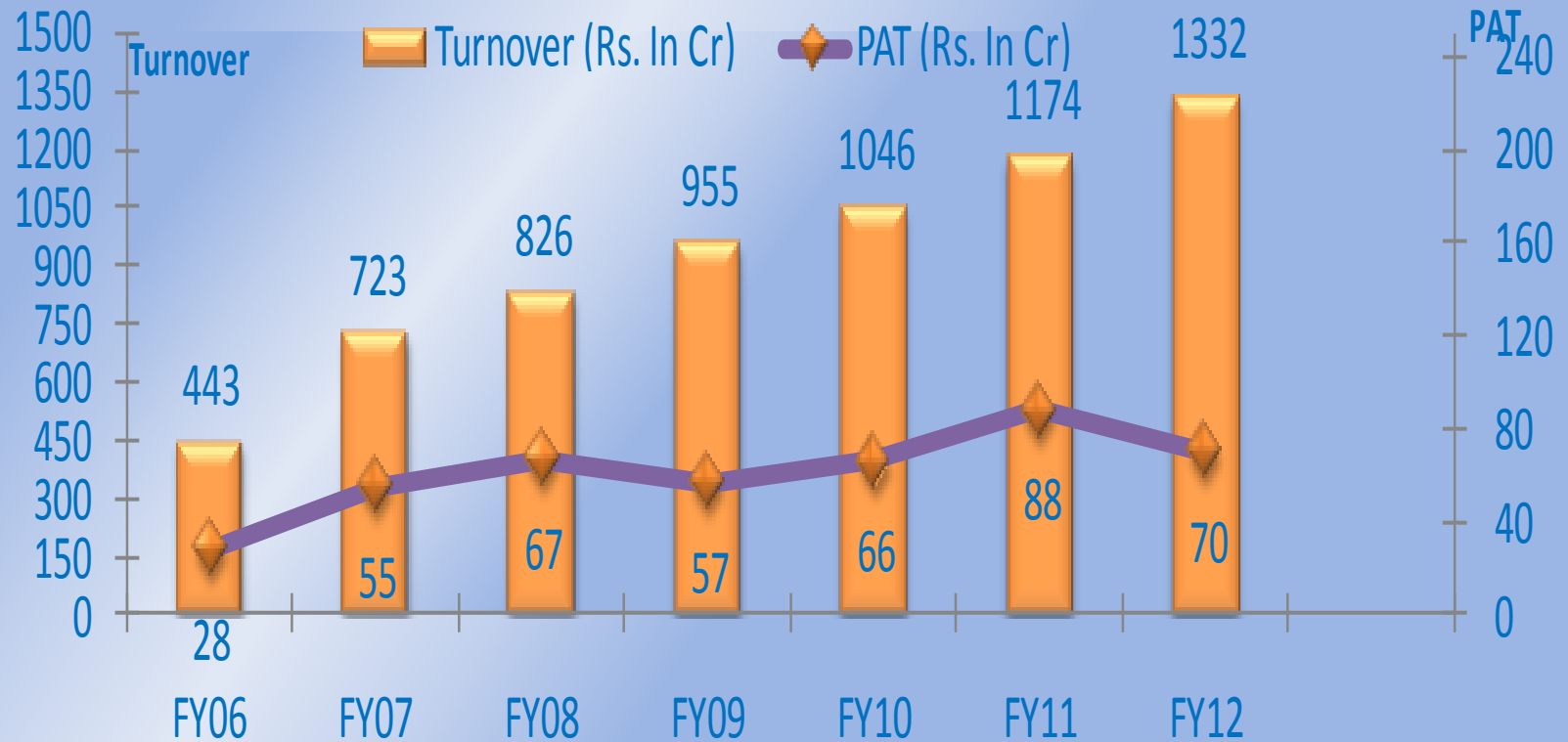
TURNOVER



TURNOVER & EBIDTA



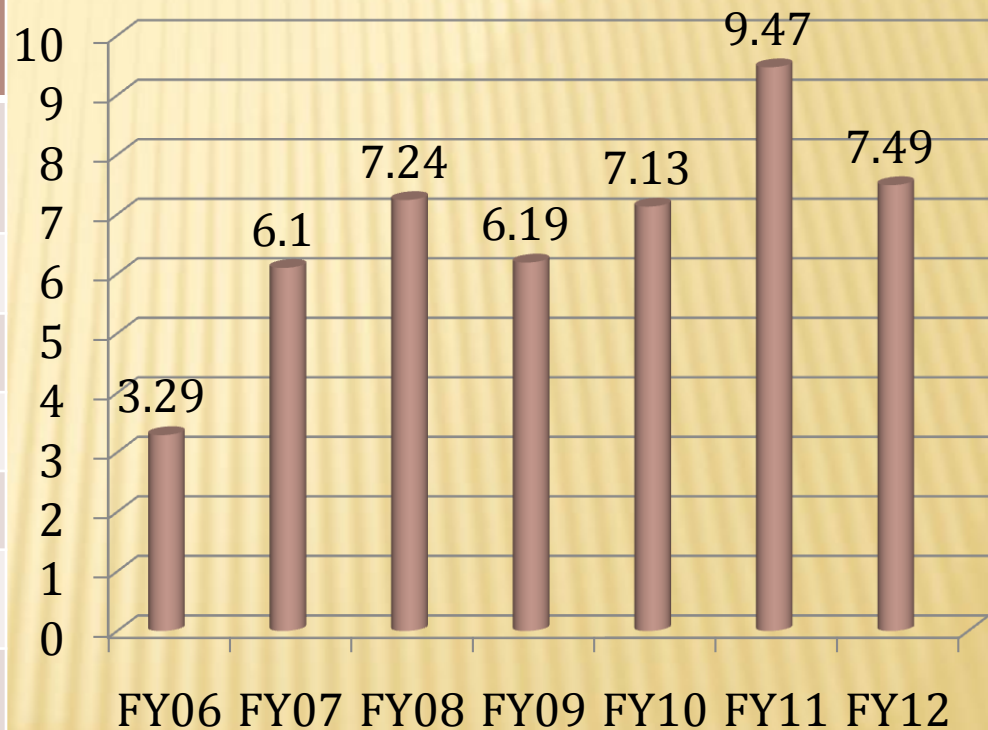
TURNOVER & PAT



BASIC EPS

Face value of share- Rs 2/- each (In Rs.)

Year	EPS (Post Bonus)	CAGR (%)
FY06	3.29	Base year
FY07	6.10	85%
FY08	7.24	48%
FY09	6.19	23%
FY10	7.13	21%
FY11	9.47	24%
FY 12	7.49	15%



FINANCIAL PERFORMANCE

Rs. In Crores

	FY12	FY11	% Change	FY 10	FY 09
Net sales	1332	1174	13%	1046	955
Total Income	1339	1202	11%	1071	965
EBITDA	200	177	13%	150	149
Depreciation & Amortization	42	39	8%	33	22
Interest	56	46	21%	51	48
PAT	70	88*	(21)%	66	57
Dividend%	90%	90%	-	75%	75%

*** PAT including gain on sale of investments Rs. 20.7 Cr. in FY 11**

CONSOLIDATED FINANCIAL PERFORMANCE

Rs. In Crores

	FY12	FY11 #
Net sales	1613	1284
EBITDA	200	184
Capex	92	178
Depreciation & Amortization	49	42
Interest	56	49
PAT	61	90*
EPS	7	10

* PAT including gain on sale of investments Rs. 20.7 Cr. of Elecon in FY 11

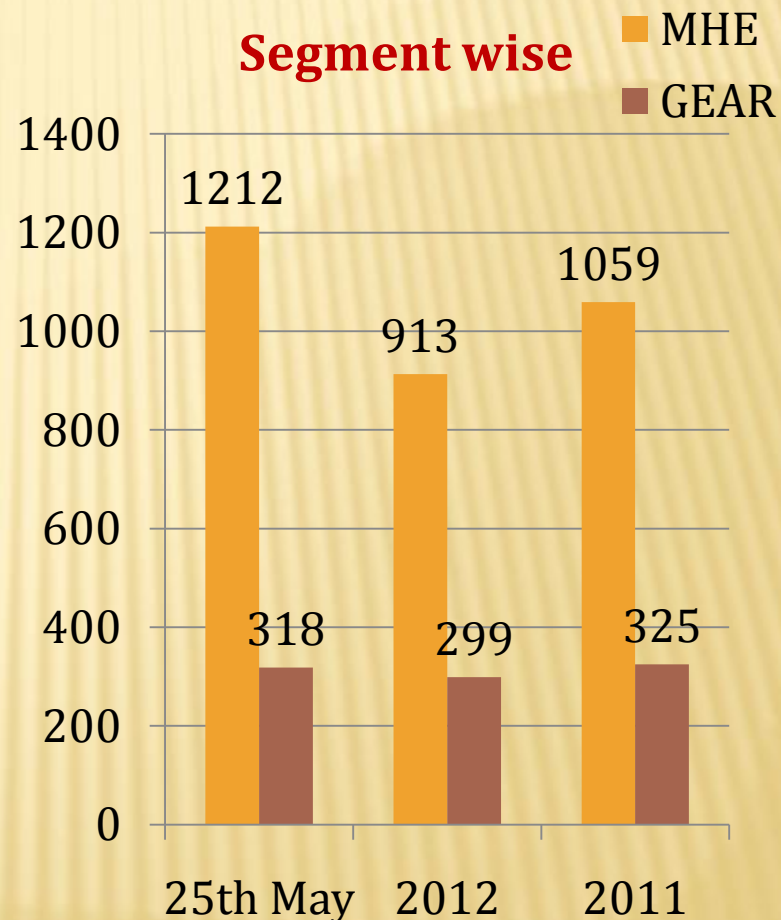
FY 11 Consolidated data includes 4 months financial of BR Group and 12months financials of other companies.

UNEXECUTED ORDERS

Rs. in Cr.

Division	As on 25 th May 2012	As on 31 st March 2012	As on 31 st March 2011
MHE	1212	913	1059
Gear	318	299	325
Total	1530	1212	1384

Segment wise

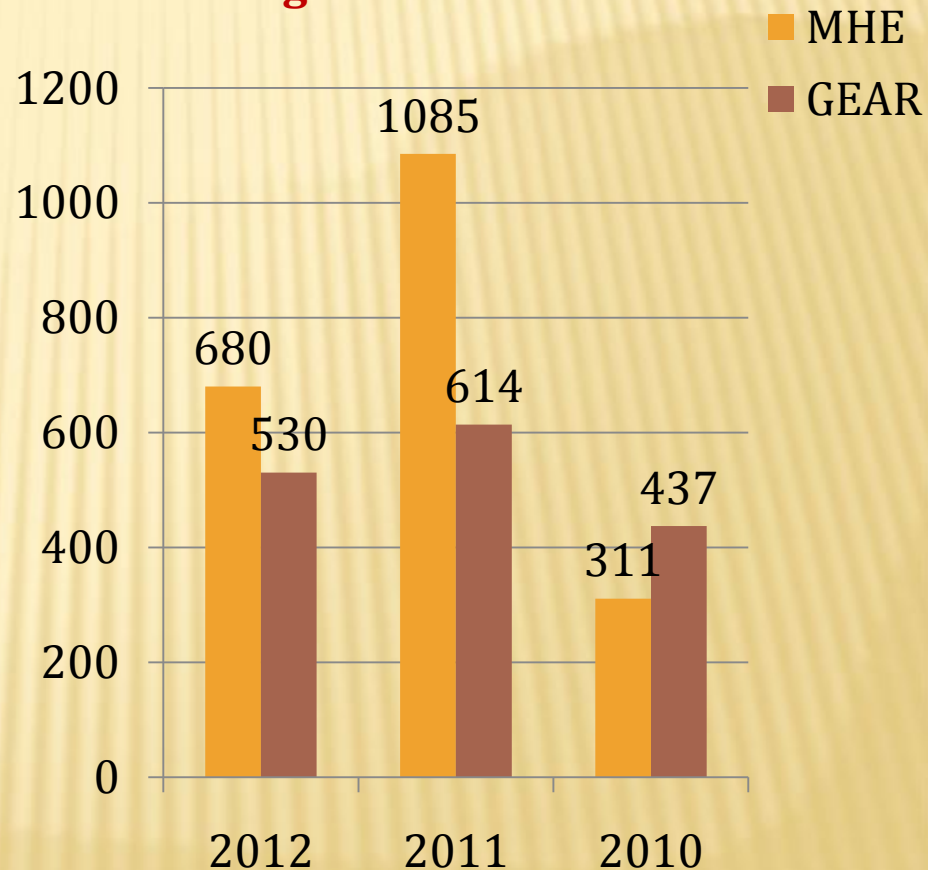


ORDER BOOKING (FOR THE YEAR)

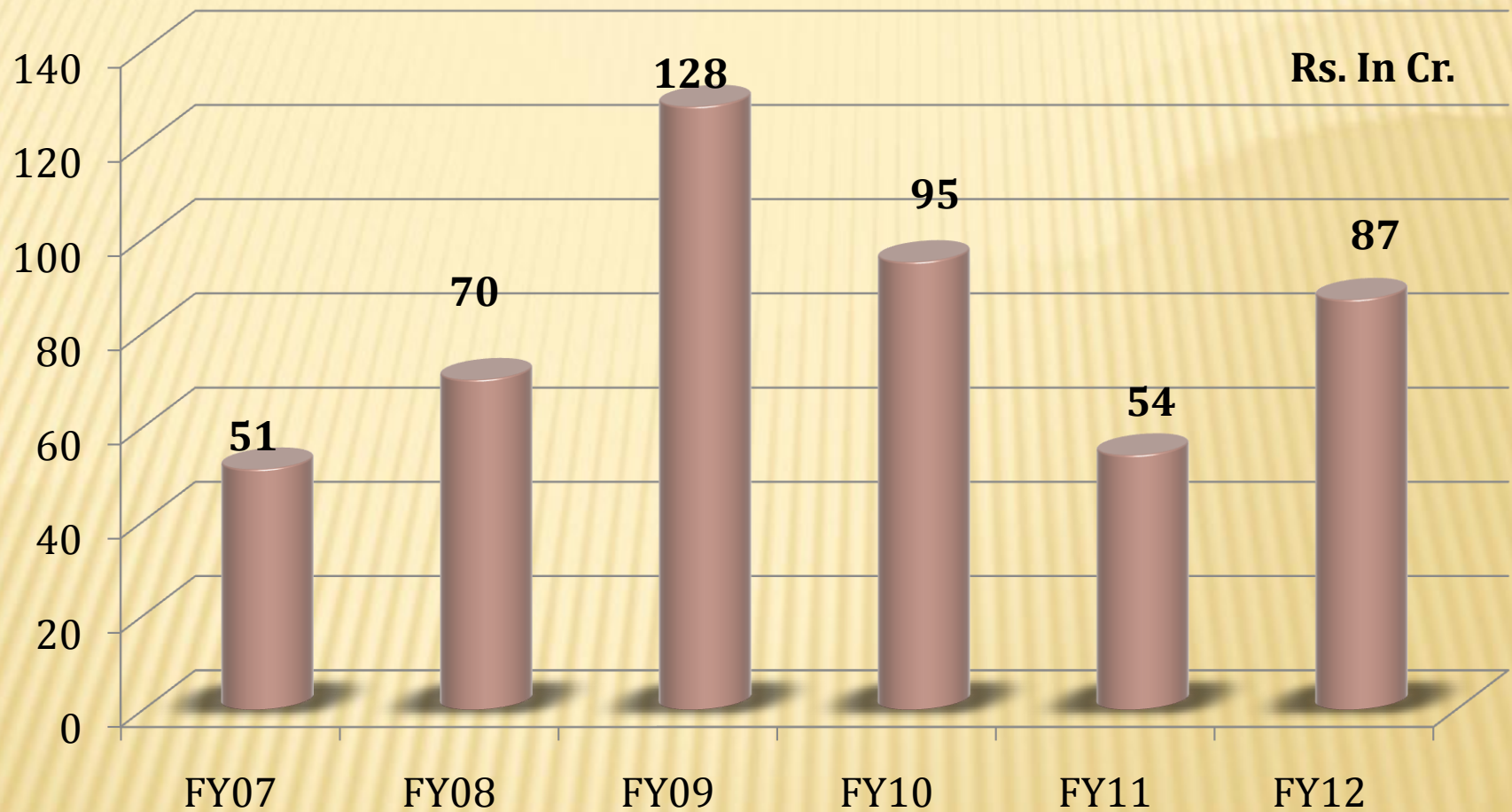
Rs. in Cr.

Division	Up to 25 th May ,12 FY 13	FY12	FY11
MHE	338	680	1085
Gear	80	530	614
Total	418	1210	1699

Segment Wise



CAPEX



Recent Major Orders in FY13

Customers	Description	Value (Rs. in Crores)
NTPC - Mauda Super Thermal Power Project - May -12	Installation services for main equipments, Structural Work, Civil works and Ex - Manufacturing work of dispatch price for mandatory spares.	272.33
Cethar Ltd-Tamilnadu Apr -12	Design, Manufacturing, Supply and E & C of 2 nos. wagon tippler and accessories for SKS power generation Ltd, Raigarh - (4*300 MW)	19.45
Cethar Ltd-Tamilnadu Apr -12	Design, Manufacturing, Supply and E & C of 1 nos. stacker cum reclaimer for SKS power generation Ltd, Raigarh - (4*300 MW)	11.30
Shree Cement Ltd. Rajasthan - Apr -12	Stacker & Reclaimer	10.80

Major Orders in FY12

Customers	Description	Value (Rs. in Crores)
NMDC Ltd April-11	Downhill conveying system-Engineering, Design Manufacturing Procurement, Testing at works/site, Installation, erection, testing, commissioning as per technical specification, For the Kumaraswamy Iron Ore Project, Karnataka State.	176.49
BHEL, Bangalore Nov-11	Supply of CHP Machines , Ballary TPS UNIT-3 of 700 Mw	39.39
Mundra,Port and SEZ Ltd. Apr -11	For Design and Engineering, and supply of Materials Handling System for Mundra Port & Special Economy Zone Ltd, Mundra	29.82
BHEL,Barauni Sept.-11	Design, Engineering, manufacture, supply & Erection & Commissioning of Wagon Tippler, Side arm charger with guide rails, Apron feeder with Dribble Conveyor, Crushers with GERB V I S, Vibrating Screen and Stacker Cum Recalimer	29.72
BHEL-ISG Banglore NMDC Steel Plant Nagamar Sept-11	Supply Erection & Commissioning of 4 sets wagon tippler with side arm charger and commissioning spares for RHMS pkg. 1 project of M/s. NMDC steel plant at Nagamar, C.G.	28.16
Lanco,Infratech Ltd. June -11	For Design, engineering Manufacture, inspection and Testing at works,Transportation,supervisionof erection, testing, commissioning and performance of complete Wagon Tippler packages along with side arm charges, Apron Feeder, dribble conveyor etc. alongwith all Auxiliaries & Accessories for LVPL : 2*660 MW thermal Power Plant at Mandav, District – Wardha	25.46

Major Orders in FY12

Customers	Description	Value (Rs. in Crores)
UltraTech Cement Ltd.- Sep -11	Supply of 5 Nos Coal & Additives Stacker & Reclaimer for unit: Rajashree Cement works – IV, Aditya Nagar, supply of 3 Nos Coal Stacker & Reclaimer for Unit: Rawan Cement Works – II, Raipur, Chhattisgarh.	23.49
Tecpro Systems ltd – Chennai- Nov -11	Supply of 2 Nos. Wagon tippler with SA Charger, 1 no Stacker Cum reclaimer & Mandatory spares for CHP for 2X270 MW TPP GVK Power	21.42
BSBK Engineers Pvt Ltd. Feb - 2012	Supply of Equipments for Augmentation of CHP 1*500 MW Kothagudam TPS ,Stage –IV,Unit-11 of APGENCO	18.00
Reflecting Blue Technologies Oct. -11	Six Turbo winds T600-48DS	16.50
ShriBajrang Power and Ispat Oct -11	Supply of design engineering manufacture and supply of stacker cum reclaimer machines total 2 quantity price per set 7,75,00,000	15.50
The Indure Private Limited Feb -2012	Transportation & Erection & Commissioning of Reversible Stacker Cum Reclaimer for 2*525 MW Monnet Thermal Power Project, Angul, Orissa.	12.95

Major Orders in FY11

Customers	Description	Value (Rs. In Crores)
GMR Infrastructure Limited	Supply of stacker reclaimers, wagon tippler, conveyor system and other associated equipments for CHP, EMCO Energy Thermal Power Project at Warora, Maharashtra	94.80
Tecpro Systems Ltd. Chennai	Supply of CHP Equipments for 3*660MW Coal Based Koradi Thermal Expansion Project of MSEB, at Koradi, Nagpur, Maharashtra.	64.45
BGR Energy Systems Ltd.	Supply of Wagon Tippler-Side Arm Charger-Apron Feeder, Wobbler Fedder, Impactor, Stacker cum Reclaimer for Super Thermal Power Station, Chandrapur	51.92
JSPL, Angul	Supply of 3 nos. stacker reclaimers	47.80
EDAC Engineering Ltd- Chennai	Supply of Stacker cum reclaimer, Ship Loader & Wagon tipping System with accessories for conveying system pertaining to SICAL Iron Ore Terminal (Manglore) Ltd. at New Manglore Port	46.50

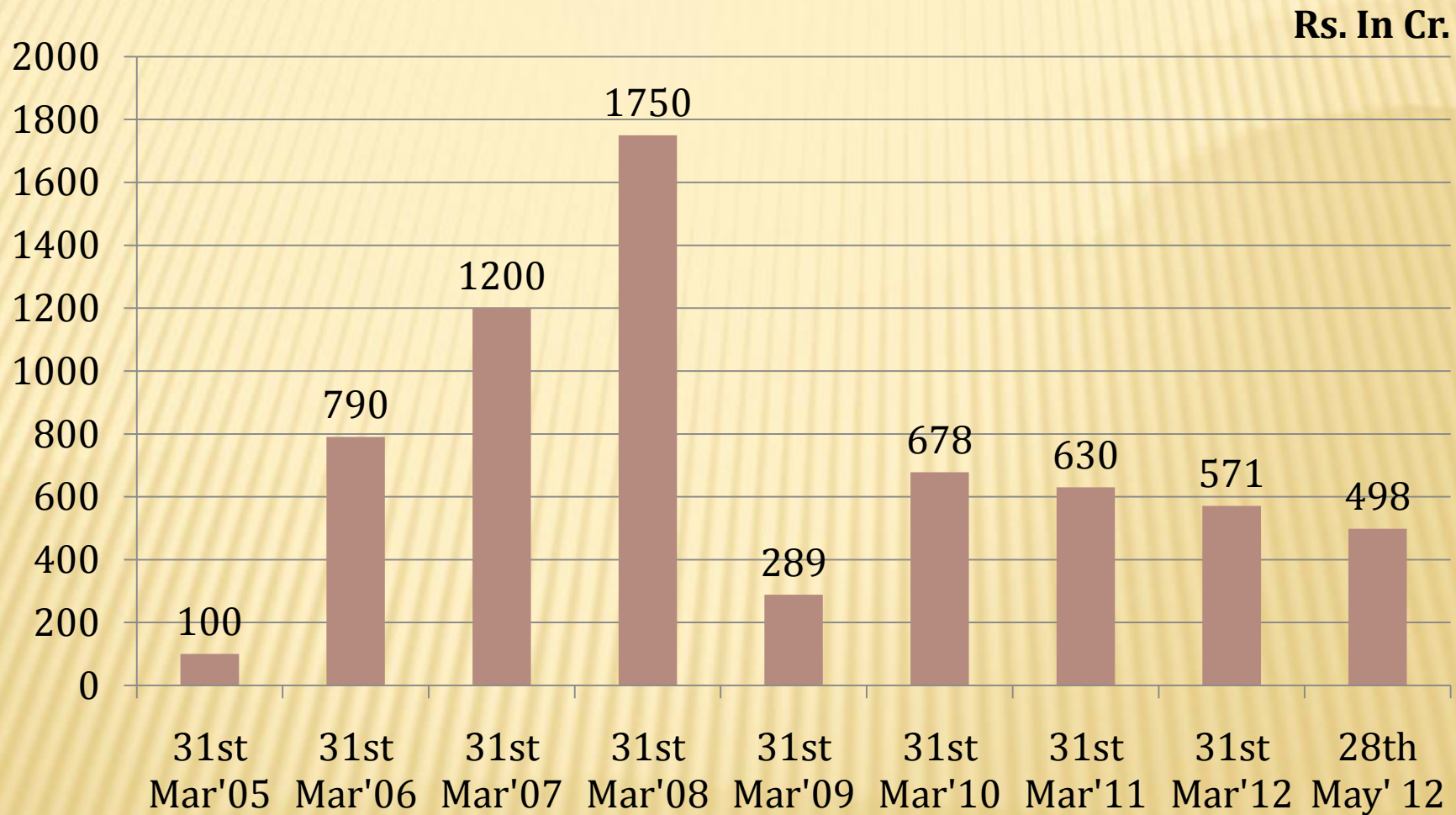
Major Orders in FY11

Customers	Description	Value (Rs. in Crores)
L & T – MHI Boiler Pvt. Ltd	Supply of 20 nos. - Divil Planetary Gear Boxes for Coal Pulveriser of Power Plant of Maha Genco Coradi.	40.55
EnergO Engg Projects Ltd	Supply of CHP Equipments for Adani Power Rajasthan Ltd. 2X660 MW Kawai TPP Project at Kawai	40.51
ZuberiEngineering Company	Supply of Equipments and Conveyors components for CHP, Parli Thermal Power Project, Maharashtra.	39.27
Essar Projects (India) Ltd.-Mumbai	Supply of Stock Yard equipments for 14 mtpa Deep Draught Coal berth terminal at Paradeep port Project	36.00

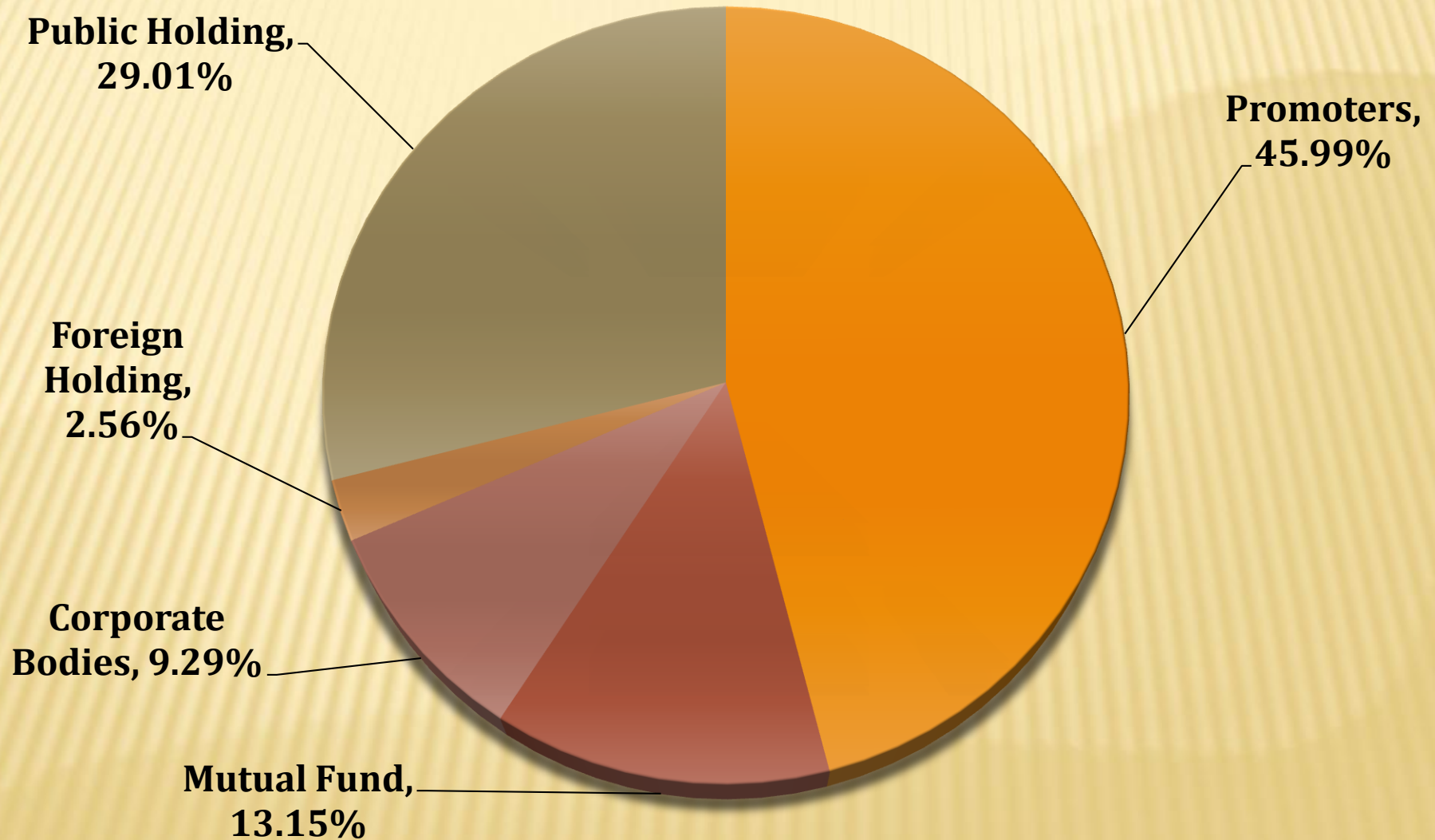
Major Orders in FY11

Customers	Description	Value (Rs. in Crores)
BGR Energy Systems Limited	Supply of stacker cum reclaimer, paddle feeder, ring granulator and grizzly feeder for CHP, Marwa Thermal Power Station, Chhattisgarh.	35.05
Manikgarh Cement	Supply of long pipe conveyor for limestone transportation with 2 nos. imported maintenance trolleys	32.77
KSK Mahanadi Power Co. Ltd. Hyderabad	Supply of Wagon Tippler & associated conveying system, accessories & spares pkg on Turnkey basis excluding civil works for 6X600 MW Power Plant at Chhattisgarh	31.25
Adhunik Power & Natural Resources Ltd.	Supply of major equipments of CHP for Super Thermal Power plant at Padampur in the state of Jharkhand.	30.39

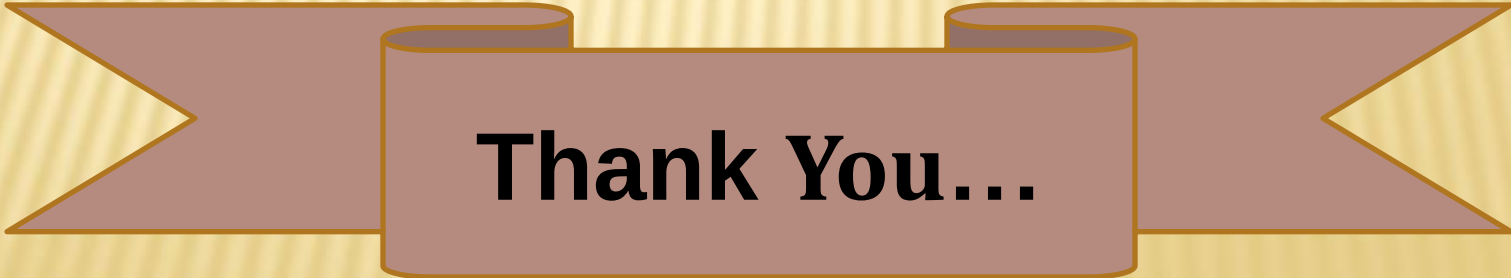
MARKET CAPITALIZATION AS ON



SHAREHOLDING PATTERN (AS ON 18TH MAY, 2012)



“Our passionate commitment to technology,
state-of-the-art infrastructure, the growing
demand for our products within India &
Globally, we look forward
to a sharp growth trajectory”



Thank You...