

LET'S PRESERVE OUR ENVIRONMENT





about the cover

Nature thrives on conservation; a state of harmony between humans and the environment. We at Elecon take this responsibility seriously and are committed to conserving our natural resources while exercising our right to develop and effectively use them for the betterment of all.

"Let's preserve our environment."

"It is our task in our time and in our generation, to hand down undiminished to those who come after us, as was handed down to us by those who went before, the natural wealth and beauty which is ours."

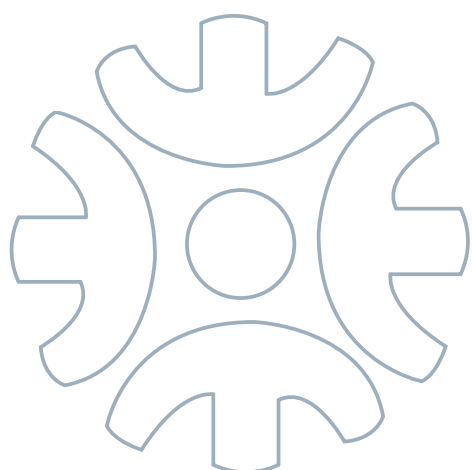
- John F. Kennedy



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Gear tooth profile tester



board of directors

The Company is managed by the Board of Directors, which formulates strategies, policies and reviews its performance periodically. The Chairman & Managing Director manages the business of the Company under the overall supervision, guidance and control of the Board.



Shri Prayasvin B. Patel
Chairman & Managing Director



Shri Upendra M. Patel



Dr. Amritlal C. Shah



Shri Pradip M. Patel



Shri Hasmukhlal S. Parikh



Shri Chirayu R. Amin



Shri Ashok J. Patel

Chief Financial Officer
Shri Hemendra C. Shah

Company Secretary
Shri Paresh M. Shukla

Auditors
Thacker Butala Desai
Chartered Accountants
Navsari

Bankers
State Bank of India
Bank of Baroda
State Bank of Saurashtra
EXIM Bank
Axis Bank Limited
Citi Bank N.A.

Registered Office
Anand Sojitra Road
Vallabh Vidyanagar 388120
Gujarat, India

Elecon at a Glance

Elecon Engineering is one of the India's leading manufacturers of Power Transmission and Material Handling Equipment with technology-based products and solutions deployed across a wide range of industrial applications ranging from defense, mining, power generation, plastic, sugar and cement amongst others applications across the world.

Elecon's strategy for long-term growth is based on customer-driven focus and global mindset.

Social Responsibility

Always geared up to help society in need to live, learn and succeed.

Elecon is committed to improving lives in communities where we live and work. We endeavor to make an even greater difference by focusing on education and career building. Elecon aims to help children and young adults get a robust start by helping create sound infrastructure, provide scholarships, sponsor learning aids and educational programmes at various schools and institutes that help enhance their ability to gain knowledge and develop skills to succeed.

An equal emphasis is accorded to supporting business events and industrial exhibitions that help create new opportunities for businesses to mature and thrive.



Rs. in Mn.

Particulars	2007-08		2006-07	2005-06	2004-05	2003-04
	US\$ Mn	Rs. Mn.				
TURNOVER	206.0	8,264	7,206	4,424	2,777	1,608
TOTAL INCOME	208.4	8,362	7,289	4,507	2,807	1,643
EARNING BEFORE DEPRECIATION, INTEREST & TAX	32.5	1,305	1,078	596	379	179
DEPRECIATION	3.5	142	122	94	82	78
PROFIT AFTER TAX	16.7	672	549	278	100	21
EQUITY DIVIDEND	3.4	139	46	30	14	5
DIVIDEND (%)	-	75%	75%	50%	25%	10%
EQUITY SHARE CAPITAL	4.6	186	61	57	56	56
RESERVE & SURPLUS	54.3	2,181	1,817	969	676	594
NET WORTH	59.0	2,367	1,874	1,003	682	569
GROSS FIXED ASSETS	74.9	3,165	2,511	2,133	1,732	1503
NET FIXED ASSETS	44.1	1,931	1,267	952	620	455
TOTAL ASSETS	252.5	10,131	7,441	5,349	3,351	2380
NUMBER OF EMPLOYEES		801	746	680	682	679
KEY INDICATORS	US \$					
BASIC EARNINGS PER SHARE (Rs.)	0.18	7.24	18.3	9.87	3.56	3.84
DEBT EQUITY RATIO (TOTAL DEBT:EQUITY)	-	1.73	1.51	2.05	1.41	1.21
EBDIT*/ TURNOVER (%)	-	15.79	14.95	13.48	13.65	11.14
NET PROFIT MARGIN (%)	-	8.13	7.62	6.30	3.61	1.35
RETURN ON NET WORTH (%)	-	28.39	29.29	27.78	14.70	3.81
RETURN ON CAPITAL EMPLOYED (%)	-	10.13	11.44	8.94	5.00	1.67

Exchange Rate: 1 US \$ = Rs. 40.1150 (as on 31-03-2008).

*Extraordinary items and other income are not considered for calculating EBIDTA.

Figures are rounded of to nearest US \$ mn / Rs. in lacs.

financial summary

Net Sales – **Rs. 8,264 million, up 14.68%**

EBITDA – **Rs. 1,305 million, up 16.83%**

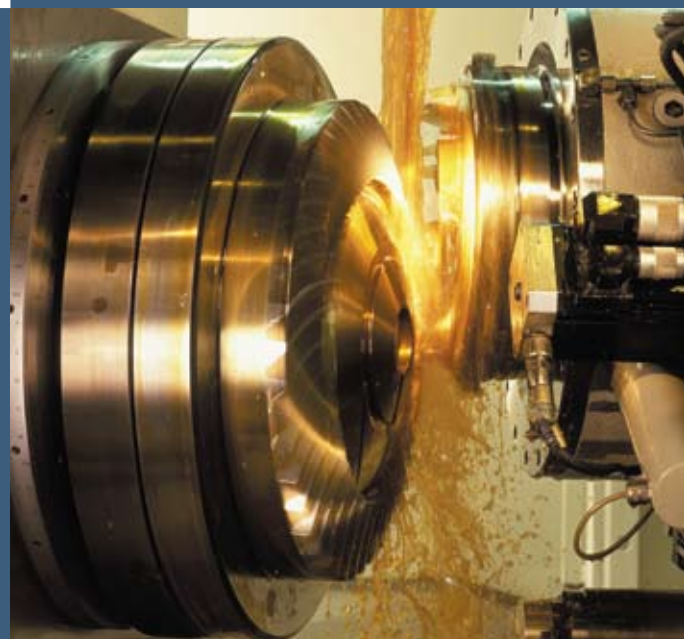
Profit After Tax – **Rs. 672 million, up 22.41%**

Market Capitalization – **Rs. 17,569 million, up 45.69%**

Earnings Per Share – **Rs. 7.24 per share, up 18.69%**

Dividend – **75%**

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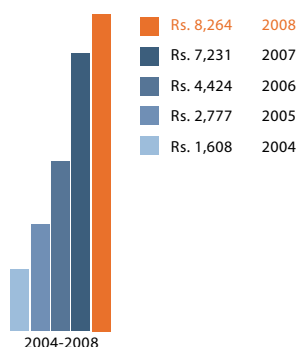


Net Sales

Rs. in Mn

14.68%

increase from 2007

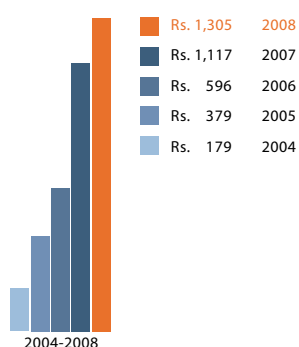


EBIDTA

Rs. in Mn

16.83%

increase from 2007

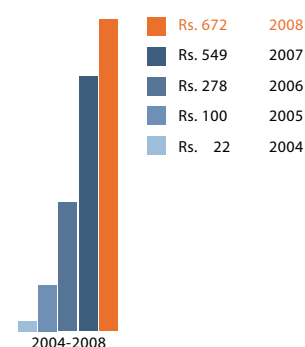


Profit After Tax

Rs. in Mn

22.41%

increase from 2007

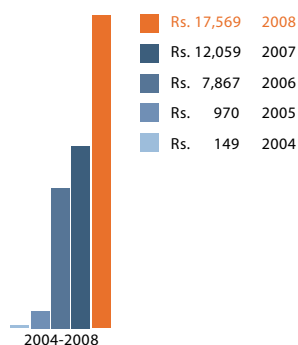


Market Capitalisation

Rs. in Mn

45.69%

increase from 2007

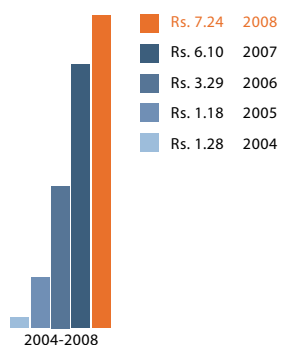


Earnings Per Share*

Rs. in Mn

18.68%

increase from 2007

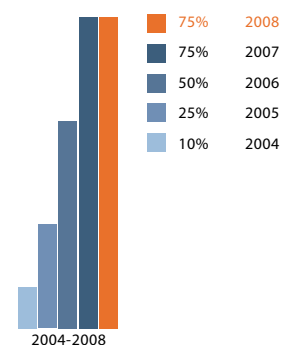


Dividend

In %

75%

increase from 2007



*EPS for 2004-07 has been recast to make it comparable with 2007-08



"Enhancement of stakeholder's value is the primary value component, without which no business can survive and provide for long term agility to an organisation"

- Hemendra Shah
Vice-President (Commercial) & CFO





We're creating opportunities to expand our potential. We foster learning and skill development at every level and encourage exchange of ideas within the enterprise. We're developing an aptitude for excellence and an attitude that drives continuous improvement.

Bird's eye view of Elecon Gear Division

material handling equipment division



Barrel-type blender reclaimer

From elevators and conveyors to full blown bulk material handling solutions, Elecon has moved up the value chain. Over the years Elecon has supplied hi-tech material handling equipment to core industry sectors in Steel, Fertilizer, Cement, Power, Coal, Lignite & Iron ore Mines and Port Mechanization across the globe.

Industry Firsts in India

- First company in India to design, build and erect a Stacker Reclaimer at Santaldih Power Station
- First company in India to design, build and erect a Barrel Reclaimer at Bukaro Steel.

Manufacturing Strength

The division has a manufacturing facility spread over 1,17,000 sq. mts., housing CNC machine tools for manufacturing and state of the art test equipment for quality control.

- Have the technology and experience to design, build and erect robust reliable Material Handling solutions for diverse industrial segments.

Achievements

- Order worth Rs. 2,370 mn from NTPC Ltd. for their NCTPP, Dadri Stage-II, Thermal Power plant.
- Order worth Rs. 3,790 mn from Damodar Valley Corporation, Kolkata for their Mejia plant.