ELECON
GEARING THE FUTURE

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Date: 20th December, 2018

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 : Outcome of Committee Meeting of the Board of Directors convened on 20th December, 2018

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

Dear Sir/Madam,

We hereby inform you that in terms of the regulation referred to above and pursuant to the meeting of the Board of Directors of the Company dated 10th December, 2018 and the resolution of the Shareholders of the Company dated 4th August, 2014; a Committee Meeting of the Board of Directors of the Company ('Management Committee') held today i.e. on **Thursday, 20th December, 2018,** approved the salient terms and conditions for the proposed issue of secured, rated, listed, redeemable non-convertible debentures for an aggregate amount of upto Rs. 150 crores ("**Debenture Amount**") in one or more series with multiple tranches on a private placement basis in accordance with the applicable law. A summary of the salient terms is set out in Annexure – A hereto.

You are requested to take note of the same for your records.

Thank you.

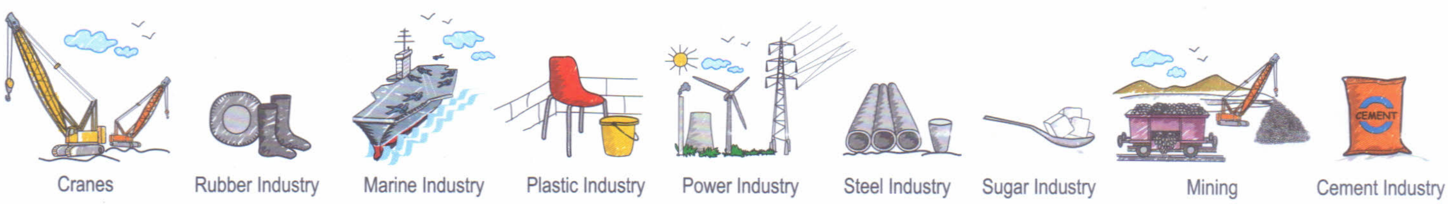
Yours faithfully,
For Elecon Engineering Company Limited,

Bharti

Bharti Isarani
Company Secretary & Compliance Officer

ELECON ENGINEERING COMPANY LIMITED VALLABH VIDYANAGAR

Encl.: As above



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Annexure - A

Salient Terms and Conditions of Proposed issue of Non-Convertible Debentures

Security Name	Secured, Rated, Listed, Redeemable Non-Convertible Debentures (NCDs)
Size of the issue	Upto Rs. 150 crores – to be disbursed in one or more series and tranches of series with the first tranche of such NCDs being 900 debentures of face value of Rs. 10 lakhs each in two series aggregating to Rs. 90 crores as follows: - The first series for an aggregate amount of Rs. 30 crores ("**Series I**"); - The second series for an aggregate amount of Rs. 60 crores ("**Series II**")
Listing	Proposed to be listed on BSE Ltd.
Tenure of the Instrument	Series I – 36 months Series II – 60 months
Date of Allotment	To be determined
Date of Maturity	36 months and 60 months from the deemed date of allotment of Series I and II respectively.
Interest/Coupon Rate and Schedule of payment of interest	Series I and II: - Rate of interest/coupon:- 12.25% per annum - Schedule of payment of Interest:- 1st February, 1st May, 1st August and 1st November of each calendar year
Security and other Credit Enhancement for the Debenture Amount	Security for Proposed NCDs upto Rs. 150 Crores:- 1. Specific immovable property owned by the Company and one of the promoter companies. 2. Specific movable plant and machinery owned by the Company. 3. Residual charge over current and fixed assets of the Company 4. Corporate Guarantee from one of the promoter Companies; and 5. Such other security and/ or credit enhancement as may be required by the investors and referred to in the definitive agreements to be entered into with the debenture trustee on behalf of the debenture holders.
Special right/ interest/ privileges attached to the non-convertible debentures	No

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Delay in payment of interest / principal amount for a period of more than three months from the due date or default in payment of interest / principal	Not Applicable
Details of any letter or comments regarding payment/non-payment of interest, principal on due dates.	Not Applicable
Details of Redemption of Debentures	Redemption at Premium

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