ELECON
GEARING THE FUTURE

21st June, 2022

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

Dear Sir,

With reference to the subject referred Regulation, we would like to inform you that we had obtained the Credit Rating for Bank Facilities of Rs. 500.00 Crores of the Company from the Credit Rating Agency viz., ICRA Limited (ICRA) vide its Letter Ref. No. ICRA/Elecon Engineering Company Limited/20062022/1 dated 20th June, 2022 as follows:-

Particular of Instruments	Proposed Limits (Rs. In Crores)	Ratings
Rated on Long Term Scale:		
Cash Credit Limits	175.00	[ICRA]A+ (Stable)
Rated on Short Term Scale:		
Non-Fund Based Limits	325.00	[ICRA]A1

A copy of the letter is enclosed for your reference & record.

Thanking you.

Yours faithfully,
For Elecon Engineering Company Limited,

Bharti

Elecon Engineering Company Limited
V.V. NAGAR

Bharti Isarani
Company Secretary & Compliance Officer

Encl.: As above

Ref: ICRA/Elecon Engineering Company Limited/20062022/1

Date: June 20, 2022

Mr. Narasimhan Raghunathan
CFO
Elecon Engineering Company Limited
Anand Sojitra Road
Vallabh Vidyanagar - 388120
Gujarat, India.

Dear Sir,

Re: ICRA-assigned Credit Rating for Rs. 500 crore Bank Facilities of Elecon Engineering Company Limited

Please refer to your Rating Agreement requesting ICRA Limited ("ICRA") to assign Rating to the bank facilities of Rs. 500 crore of your Company (instrument details enclosed as Annexure). The Rating Committee of ICRA, after due consideration, has assigned a long-term rating of [ICRA]A+ (pronounced ICRA A plus) and short-term rating of [ICRA]A1 (pronounced ICRA A one) to the captioned line of credit ("Rating"). The Outlook on the long-term Rating is Stable. The long-term rating of [ICRA]A+ indicates adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk. The modifiers + (plus) or – (minus) may be appended to the rating symbols to indicate their relative position within the rating categories concerned. The short-term rating of [ICRA]A1 indicates very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk.

In any of your publicity material or other document wherever you are using the above Ratings, it should be stated as [ICRA]A+ (Stable)/[ICRA]A1.

The aforesaid Ratings will be due for surveillance any time before May 26, 2023. However, ICRA reserves the right to review and/or, revise the above Ratings at any time on the basis of new information becoming available, or the required information not being available, or other circumstances that ICRA believes could have an impact on the Ratings. Therefore, request the lenders and Investors to visit ICRA website at www.icra.in for latest Ratings of the Company.

The Ratings are specific to the terms and conditions of the bank facilities as indicated to us by you, and any change in the terms or size of the same would require a review of the Ratings by us. In case there is any change in the terms and conditions or the size of the rated bank facilities, the same must be brought to our notice before the bank facilities is used by you. In the event such changes occur after the Ratings have been assigned by us and their use has been confirmed by you, the Ratings would be subject to our review, following which there could be a change in the Ratings previously assigned. Notwithstanding the foregoing, any increase in the over-all limit of the bank facilities from that specified in the first paragraph of this letter would constitute an enhancement that would not be covered by or under the said Rating Agreement.

The Ratings assigned must be understood solely as an opinion and should not be treated, or cause to be treated, as recommendation to buy, sell, or hold the rated bank facilities availed/issued by your company.

The Ratings assigned to the bank facilities of your Company shall require revalidation if there is any change in the size of the rated bank facilities.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lenders / investors. Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authorities is exceeded.

We look forward to your communication and assure you of our best services.

With kind regards,

Yours sincerely,

For ICRA Limited

Digitally signed by SABYASACHI MAJUMDAR
Date: 2022.06.20 14:54:37 +05'30'

Sabyasachi Majumdar
Senior Vice President
sabyasachi@icraindia.com

Annexure

Instrument Details

Details of Bank Limits Rated by ICRA (Rated on Long-term Scale)	Amount (Rs. crore)	Rating	Rating Assigned on
Cash Credit Limits			
Proposed Limits	175.00	[ICRA]A+ (Stable)	May 27, 2022
Total	**175.00**		

Details of Bank Limits Rated by ICRA (Rated on Short-term Scale)	Amount (Rs. crore)	Rating	Rating Assigned on
Non-fund Based Limits			
Proposed Limits	325.00	[ICRA]A1	May 27, 2022
Total	**325.00**		