

ELECTROSTEEL CASTINGS LIMITED

Registered Office : Rathod Colony, P. O. Rajgangpur, District Sundergarh, Odisha - 770 017
CIN : L27310OR1955PLC000310; website: www.electrosteel.com, Phone: 033-71034557; Fax: 033-22894339

FINANCIAL RESULTS FOR THE QUARTER AND THE YEAR ENDED MARCH 31, 2015

(Rs. in lakhs)

PART I	Particulars	STANDALONE					CONSOLIDATED	
		Quarter Ended		Year Ended			Year Ended	
		31.03.2015 (Audited)	31.12.2014 (Unaudited)	31.03.2014 (Audited)	31.03.2015 (Audited)	31.03.2014 (Audited)	31.03.2015 (Audited)	31.03.2014 (Audited)
1.	Income from operations							
	(a) Net sales/income from operations (net of excise duty)	53716.16	59743.63	59389.28	208724.22	209512.37	233567.87	236740.03
	(b) Other operating income	1235.71	1328.55	2108.62	6653.67	9175.56	6614.69	9175.56
	Total income from operations (net)	54951.87	61072.18	61497.90	215377.89	218687.93	240182.56	245915.59
2.	Expenses							
	(a) Cost of materials consumed	27584.13	26052.54	27340.08	103726.82	94732.02	103726.82	94732.02
	(b) Purchases of stock-in-trade	968.08	1214.09	3828.56	8653.10	18257.30	14837.82	27790.85
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1078.35	8772.04	131.14	509.27	(2963.84)	(127.74)	(2965.57)
	(d) Employee benefits expense	4110.90	3848.33	3865.38	15990.67	14876.05	21538.70	20252.85
	(e) Depreciation and amortisation expense	1546.17	1718.01	1304.48	6743.00	5296.71	7061.09	5636.34
	(f) Other expenditure	14023.29	14146.50	16289.79	58670.89	63281.11	69356.24	76331.97
	Total expenses	49310.92	55751.51	52759.43	194293.75	193479.35	216392.93	221778.46
3.	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	5640.95	5320.67	8738.47	21084.14	25208.58	23789.63	24137.13
4.	Other Income	418.06	1096.19	764.24	3081.13	1970.10	6218.30	2866.35
5.	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	6059.01	6416.86	9502.71	24165.27	27178.68	30007.93	27003.48
6.	Finance costs	3361.85	4089.87	2987.37	14531.62	13581.96	15656.66	15046.29
7.	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	2697.16	2326.99	6515.34	9633.65	13596.72	14351.27	11957.19
8.	Tax expense	260.28	751.01	1836.92	2366.49	3540.88	2723.24	3807.00
9.	Net Profit / (Loss) from ordinary activities after tax (7 - 8)	2436.88	1575.98	4678.42	7267.16	10055.84	11628.03	8150.19
10.	Share of profit / (loss) of associates						(23223.84)	(9666.86)
11.	Minority interest						13.09	76.71
12.	Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (9 + 10 - 11)						(11608.90)	(1593.38)
13.	Paid-up equity share capital (Face value - Re. 1/-)	3569.55	3569.55	3438.17	3569.55	3438.17	3569.55	3438.17
14.	Reserves excluding revaluation reserve as per balance sheet of previous accounting year				192831.12	184480.22	149372.19	159965.16
15.	Earnings per share (EPS) for the period, before and after extraordinary items and for the previous year (not annualized):							
	Basic (Rs.)	0.68	0.44	1.36	2.05	3.02	(3.27)	(0.48)
	Diluted (Rs.)	0.68	0.44	1.36	2.05	3.02	(3.27)	(0.48)
16.	Debt Service Coverage Ratio (DSCR)*				1.43	1.48		
17.	Interest Service Coverage Ratio (ISCR)**				1.83	2.13		

*DSCR = PBDIT / (Net Finance charges + Scheduled principal repayments (excluding repayments from investment / refinancing) during the period)

**ISCR = PBDIT/Net Finance charges

Net finance Charges: Interest Cost - Interest Income on Fixed Deposit - exchange loss related to interest cost

PART II	Particulars	STANDALONE					CONSOLIDATED	
		Quarter Ended		Year ended			Year Ended	
		31.03.2015 (Audited)	31.12.2014 (Unaudited)	31.03.2014 (Audited)	31.03.2015 (Audited)	31.03.2014 (Audited)	31.03.2015 (Audited)	31.03.2014 (Audited)
A	PARTICULARS OF SHAREHOLDING							
1.	Public shareholding							
	- Number of shares	165625950	165625950	164965950	165625950	164965950	165625950	164965950
	- Percentage of shareholding	46.40%	46.40%	47.98%	46.40%	47.98%	46.40%	47.98%
2.	Promoters and Promoter Group Shareholding							
	a) Pledged / Encumbered							
	-Number of shares	32675270	32675270	32675270	32675270	32675270	32675270	32675270
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	17.27%	17.27%	18.56%	17.27%	18.56%	17.27%	18.56%
	-Percentage of shares (as a % of the total share capital of the company)	9.15%	9.15%	9.50%	9.15%	9.50%	9.15%	9.50%
	b) Non - encumbered							
	-Number of shares	156549102	156549102	143406102	156549102	143406102	156549102	143406102
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	82.73%	82.73%	81.44%	82.73%	81.44%	82.73%	81.44%
	-Percentage of shares (as a % of the total share capital of the company)	43.86%	43.86%	41.71%	43.86%	41.71%	43.86%	41.71%



ll

Particulars		3 months ended 31 / 03 / 2015			
B	INVESTOR COMPLAINTS				
	Pending at the beginning of the quarter			Nil	
	Received during the quarter			Nil	
	Disposed off during the quarter			Nil	
	Remaining unresolved at the end of the quarter			Nil	
Standalone and Consolidated Statement of Assets and Liabilities (Rs. In lakhs)					
		STANDALONE		CONSOLIDATED	
		31.03.2015	31.03.2014	31.03.2015	31.03.2014
		(Audited)	(Audited)	(Audited)	(Audited)
A	EQUITY AND LIABILITIES				
	Shareholders' funds				
	(a) Share capital	3569.55	3438.17	3569.55	3438.17
	(b) Reserves and surplus	246909.09	241286.22	203450.16	216771.16
	Sub total - Shareholders' funds	250478.64	244724.39	207019.71	220209.33
	Minority interest			22.12	1005.69
	Non-current liabilities				
	(a) Long-term borrowings	128437.59	151547.74	129674.24	155331.96
	(b) Deferred tax liabilities (net)	3086.72	3514.90	3019.37	3401.20
	(c) Other long-term liabilities	82.71	499.67	82.71	510.08
	(d) Long-term provisions	1298.62	1505.60	1298.62	1505.60
	Sub total - Non-current liabilities	132905.64	157067.91	134074.94	160748.84
	Current liabilities				
	(a) Short-term borrowings	81019.45	68649.68	90289.31	82624.07
	(b) Trade payables	21944.97	30473.60	29138.96	38958.05
	(c) Other current liabilities	51943.97	34256.01	53361.02	36421.03
	(d) Short-term provisions	7892.06	5627.01	7863.57	5661.95
	Sub total - Current liabilities	162800.45	139006.30	180652.86	163665.10
	TOTAL - EQUITY AND LIABILITIES	546184.73	540798.60	521769.63	545628.96
B	ASSETS				
	Non-current assets				
	(a) Fixed assets	238721.28	230544.52	242500.79	238530.90
	(b) Goodwill on consolidation	-	-	1419.71	1430.25
	(c) Non-current investments	125863.97	103237.63	75878.67	77165.62
	(d) Long-term loans and advances	2134.07	28866.18	2417.23	28975.41
	(e) Other non-current assets	339.68	1279.32	339.68	1279.32
	Sub total - Non-current assets	367059.00	363927.65	322556.08	347381.50
	Current assets				
	(a) Current investments	715.46	6758.35	767.02	6763.37
	(b) Inventories	49578.56	55679.53	68895.61	75917.31
	(c) Trade receivables	58034.76	61685.81	51622.30	57018.50
	(d) Cash and cash equivalents	21022.42	22884.36	24527.67	26721.85
	(e) Short-term loans and advances	36512.74	19235.45	40011.61	20958.64
	(f) Other current assets	13261.79	10627.45	13389.34	10867.79
	Sub total - Current assets	179125.73	176870.95	199213.55	198247.46
	TOTAL - ASSETS	546184.73	540798.60	521769.63	545628.96



Notes:

1. The above financial results , as reviewed by Audit Committee, were approved by the Board of Directors at their meeting held on May 12 , 2015.
2. The Company operates mainly in one business segment viz. Pipes and all other activities revolve around the main business.
3. During the year Singardo International Pte Ltd has ceased to be an subsidiary /associate of the Company.
4. The Board of Directors of the Company has approved the Scheme of Amalgamation (the Scheme) of its wholly owned subsidiary, Mahadev Vyapar Private Limited with the Company with effect from April 01, 2014. No effect of the Scheme pending necessary approvals etc. has been given in the Financial Statements.
5. a) In pursuance of the Order dated September 24, 2014 issued by the Hon'ble Supreme Court of India (the order) followed by the Ordinance promulgated by the Government of India, Ministry of Law & Justice (legislative department) dated October 21, 2014 (Ordinance) for implementing the order allotment of Parbatpur coal block (coal block/mines) to the company which was under advanced stage of implementation, has been cancelled w.e.f. April 01, 2015. In terms of the Ordinance, the Company was allowed to continue the operations in the said block till March 31, 2015. Accordingly, the same has been handed over to Bharat Coking Coal Limited (BCCL) as per the direction from Coal India Ltd. (CIL) with effect from April 01, 2015.
The claim for compensation amounting to Rs.122071.00 lakhs till March 31, 2014 and Rs 6813.11 lakh during the year till handing over the mines is yet to be received by the company. The Company pending acceptance and recovery of the claim, has filed a petition before the Hon'ble High Court at Delhi, decision whereof is awaited on this date.
Pending decision of the Court, the accounting policy hitherto followed pertaining to the coal mines has been continued during the year. Consequently, amount incurred for the coal block till March 31, 2014 as well as those incurred thereafter during the year after setting off income, stocks etc. there against has been continued to be capitalized as capital work in progress and various balances under advances, fixed assets etc. has been continued to be so classified.
Pending decision of Hon'ble High Court on the matter, amount recoverable as compensation are presently not ascertainable and consequential adjustments in this respect will be given effect to on ascertainment of the amounts thereof.
- b) In terms of the Supreme Court Order as referred above, North Dhadhu Coal Block, allotted in joint venture with other companies, has also been cancelled w.e.f. September 24, 2014. The Company barring initial contribution of Rs. 822.81 Lakhs has not made any further investments in the said the joint venture company . In view of the management, the compensation to be received in terms of the ordinance is expected to cover the cost incurred by the Joint Venture Companies and thereby no diminition in value of investment is expected to arise and accordingly no provision has been considered necessary by the management.
6. Liability on account of additional levy of Rs. 295 per MT arising in terms of the said Ordinance against the coal extracted from the mining operation aggregating to Rs.3545.36 lakhs of which Rs.1313.11 lakhs has been charged out and included in the coal consumption.
7. Depreciation has been provided as per Schedule II of the Companies Act, 2013 which has been made effective from April 01, 2014. Accordingly, carrying amount of the assets as on March 31, 2014 have been depreciated over the remaining useful life of the assets recomputed as above . Consequently, depreciation for the quarter and the year ended is higher by Rs. 281.08 lakhs and Rs.1613.99 lakhs respectively. Where the remaining life of the assets is nil as on April 01, 2014, the carrying amount of Rs 1536.37 lakhs (net off deferred tax of Rs 315.85 lakhs) (including Rs 792.67 lakhs pertaining to revalued assets) after retaining the residual value, has been fully depreciated and has been adjusted against general reserve.
8. The figures for the quarters ended March 31 , 2015 and March 31 , 2014 are the balancing figures between the audited figures in respect of the full financial year and the year to date upto the quarter ended 31st December of the respective years.
9. The Board of Directors have recommended a dividend of Re. 0.65 per share (i.e 65%), subject to approval of shareholders.
10. Previous periods' figures have been regrouped/rearranged wherever necessary.

For ELECTROSTEEL CASTINGS LTD.



Umang Kejriwal

Managing Director

