

**Independent Auditors' Review Report  
The Board of Directors  
Electrosteel Castings Limited**

1. We have reviewed the accompanying statement of Unaudited Standalone Financial Results of **Electrosteel Castings Limited** ("the Company") for the Quarter and Nine months ended on December 31, 2022 ('the Statement'). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended ("Listing Regulations 2015"), which has been initialed by us for identification purposes.
2. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS - 34") prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Attention is drawn to the following Notes of the Statement which are subject matter of qualified conclusion as given in Para 5 below:
  - a) Note no. 4 regarding cancellation of coal block allotted to the company in earlier year and adjustment required to be carried out in respect of the claim received so far and carrying value of the property, plant and equipment, capital work in progress, inventory and other heads of account for reasons stated therein; and
  - b) Note No. 5 in respect of company's investment in ESL Steel Limited (ESL), the pledge of which was invoked by the lenders of ESL and the same was set aside by Hon'ble High court at Calcutta and mortgage of Land of Elavur plant in favour of one of the lenders of ESL who had assigned their rights to another party and consequent to symbolic possession taken by the said party, the matter has been disputed by the company and is currently pending before DRAT and Hon'ble High Court at Madras.
  - c) Pending finalization of the matters dealt with in (a) and (b), impacts thereof are presently not ascertainable and as such cannot be commented upon by us.
5. Based on our review conducted as above, we report that, excepting the possible effect of the matters as stated in Para 4 above, nothing has come to our attention that causes us to believe that the accompanying statement read with notes thereon, prepared in accordance with aforesaid Indian Accounting Standards and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, 2015, including the manner in which it is to be disclosed.



6. (a) The standalone financial information of the Company for the quarter ended June 2022 included in nine months ended December 31, 2022 were reviewed by the predecessor auditor who expressed modified opinion on the same vide their report dated August 12, 2022;

(b) The comparative standalone financial information of the Company for the corresponding quarter and nine months ended December 31, 2021 were reviewed by the predecessor auditor who expressed modified conclusion on the same vide their report dated February 14, 2022.

(c) The standalone financial statements of the Company for the year ended March 31, 2022 were audited by predecessor auditor who expressed modified opinion on the same vide their reports dated May 10, 2022.

(d) Reliance has been placed by us on the report of the said predecessor auditors with respect to (a) to (c) above and our conclusion is not modified in respect of these matters

For Lodha & Co,  
**Chartered Accountants**  
Firm's ICAI Registration No. 301051E



Place: Kolkata  
Date: February 14, 2023

*R. P. Singh*  
R. P. Singh  
Partner  
Membership No. 052438  
UDIN: 23052438BGXSBF7410



**ELECTROSTEEL CASTINGS LIMITED**

CIN: L27310OR1955PLC000310

Registered Office : Rathod Colony, P. O. Rajgangpur, Sundergarh, Odisha 770 017

Tel. No.:+91 06624 220 332; Fax:+91 06624 220 332

Corporate Office: 19, Camac Street, Kolkata 700 017

Website: www.electrosteel.com

E-mail: companysecretary@electrosteel.com

(Amount Rs. in lakhs unless otherwise stated)

**STATEMENT OF UNAUDITED STANDALONE RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31/12/2022**

Particulars	3 months ended	Preceding 3	Corresponding 3	Year to date	Year to date	Year to date
	31/12/2022	months ended	months ended in	figures for	figures for	figures for
	(Unaudited)	ended	the previous	current period	previous period	previous year
		30/09/2022	year 31/12/2021	ended	ended	ended
				31/12/2022	31/12/2021	31/03/2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Revenue From Operations	172803.62	169754.81	138961.35	515418.15	345949.58	501482.77
2. Other Income	2264.45	2780.10	1665.92	7281.72	5137.98	8032.93
<b>3. Total income ( 1 + 2 )</b>	<b>175068.07</b>	<b>172534.91</b>	<b>140627.27</b>	<b>522699.87</b>	<b>351087.56</b>	<b>509515.70</b>
<b>4. EXPENSES</b>						
(a) Cost of materials consumed	104430.33	103917.87	71618.99	306699.68	180495.93	275294.38
(b) Purchases of Stock-in-Trade	-	-	-	-	22.47	22.47
(c) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	(489.06)	(6010.48)	(3139.30)	(11502.79)	(12716.13)	(24503.06)
(d) Employee benefits expense	9205.33	9462.85	8664.58	27105.65	24300.34	32591.17
(e) Finance costs	7330.21	6697.77	4294.34	19994.84	13444.53	18526.53
(f) Depreciation and amortization expense	2855.76	2871.92	2941.81	8599.67	8362.59	11257.67
(g) Other expenses	43545.66	47507.36	43715.95	141802.53	110598.68	154466.27
<b>Total expenses</b>	<b>166878.23</b>	<b>164447.29</b>	<b>128096.37</b>	<b>492699.58</b>	<b>324508.41</b>	<b>467655.43</b>
<b>5. Profit before tax ( 3 - 4 )</b>	<b>8189.84</b>	<b>8087.62</b>	<b>12530.90</b>	<b>30000.29</b>	<b>26579.15</b>	<b>41860.27</b>
<b>6. Tax expense:</b>						
Current tax	1583.21	2150.85	3044.48	7286.37	6715.00	10400.00
Deferred tax	71.76	(455.94)	(30.15)	(631.92)	(434.45)	(643.34)
Related to earlier year	-	-	-	-	-	(456.68)
<b>7. Profit for the period ( 5 - 6 )</b>	<b>6534.87</b>	<b>6392.71</b>	<b>9516.57</b>	<b>23345.84</b>	<b>20298.60</b>	<b>32560.29</b>
<b>8. Other Comprehensive Income</b>						
A (i) Items that will not be reclassified to profit or loss						
a) Remeasurements of the defined benefit plans	(23.56)	(23.56)	26.33	(70.68)	78.99	(174.28)
b) Equity instruments through other comprehensive income	-	-	-	3.94	(0.06)	5350.86
(ii) Income tax relating to items that will not be reclassified to profit or loss	5.93	5.93	(6.63)	16.89	(19.87)	43.88
B (i) Items that will be reclassified to profit or loss						
<b>Other Comprehensive Income for the period (net of tax)</b>	<b>(17.63)</b>	<b>(17.63)</b>	<b>19.70</b>	<b>(49.85)</b>	<b>59.06</b>	<b>5220.46</b>
<b>9. Total Comprehensive Income for the period ( 7 + 8 )</b>	<b>6517.24</b>	<b>6375.08</b>	<b>9536.27</b>	<b>23295.99</b>	<b>20357.66</b>	<b>37780.75</b>
<b>10. Paid-up equity share capital (Face value - Re. 1/-)</b>	<b>5946.05</b>	<b>5946.05</b>	<b>5946.05</b>	<b>5946.05</b>	<b>5946.05</b>	<b>5946.05</b>
<b>11. Other equity excluding revaluation reserve</b>						<b>392796.72</b>
<b>12. Earnings per equity share of par value of Re. 1 each.</b>						
(1) Basic (Rs.)	1.10	1.08	1.60	3.93	3.41	5.48
(2) Diluted (Rs.)	1.10	1.08	1.60	3.93	3.41	5.48



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**Notes:**

1. The above unaudited standalone financial results (hereinafter referred to as "Financial Results") attached herewith which have been prepared in accordance with the Indian Accounting Standards ("Ind AS") - 34 "Interim Financial Reporting" as prescribed under section 133 of Companies Act, 2013 and compiled keeping in view the provision of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). These financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 14, 2023 and have been subjected to Limited Review by the Statutory Auditors.
2. The Company operates mainly in one business segment viz. Pipes and all other activities revolve around the main business.
3. Due to delay in grant of forest, environment and other clearances from various authorities and execution of mining lease of an area of 192.50 ha. by the State Government of Jharkhand for iron and manganese ores at Dirsumburu in Kodilabad Reserve Forest, Saranda of West Singhbhum, Jharkhand, the validity period of letter of intent granted in this respect got expired on January 11, 2017. Pending decision of Hon'ble High Court at Jharkhand on the matter pursuant to the writ petition filed before the said court, the company without prejudice to the decision to pursue the said petition has decided in the quarter ended June 30, 2022 as a matter of abundant caution to charge off the amounts so paid pertaining to the said mine and carried forward under Capital work in progress and advances and thereby, Rs. 2756.99 lakhs has been included under other expenses in nine months ended December 31, 2022.
4. 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, had 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 said block had been handed over to Bharat Coking Coal Limited (BCCL) as per the direction from Coal India Ltd. (CIL) with effect from April 01, 2015 and the same was subsequently allotted to Steel Authority of India Limited (SAIL). The company also came to understand that SAIL subsequently handed over back the said coal block to the custody of BCCL.

Following a petition filed by the Company, the Hon'ble High Court at Delhi had pronounced its judgement on March 09, 2017. Accordingly based on the said judgement, the Company has claimed Rs.153176.00 lakhs towards compensation against the said coal block, acceptance whereof is awaited. Aggrieved due to delay in acceptance of claim, on a petition filed by the Company, the Hon'ble High Court had directed the Nominated Authority appointed under Ministry of Coal to determine the amount of compensation to be paid to the company. Earlier the Nominated Authority had upheld its decision of compensation already paid and the same was set aside by the Hon'ble High Court with a direction to the Nominated Authority to reconsider the said decision. The Nominated authority further passed an order dated November 11, 2019 awarding an additional compensation of Rs. 180.00 lakhs and with a further direction to re-determine the value of certain assets by the appropriate authority. Subsequently, a newly appointed Nominated Authority (New Nominated Authority) had appointed a valuer to determine the value of those specified assets as per the direction of Nominated Authority dated November 11, 2019. Based on the valuation report submitted to the New Nominated Authority, the valuer had recommended a valuation based on total direct / hard cost, for such specified assets, which is under consideration and a final compensation has not yet been decided. The company had also earlier approached the New Nominated Authority/ Ministry of Coal (Ministry) to similarly reconsider the compensation determined by the previous Nominated Authority, for land and some other major assets. Pending such decision, in the meantime the Ministry vide notification dated November 03, 2022 has included the said Parbatpur Coal Block in the "16th Tranche of Auction Under Coal Mines (Special Provisions) Act, 2015". The management however is pursuing to get the compensation determined in terms of the judgement passed by the Hon'ble High Court of Delhi.

Pending finalisation of the matter as above;

- (i) Rs.128884.11 lakhs incurred pertaining to the coal block till March 31, 2015 after setting off income, stocks etc. there against as per the accounting policy then followed by the Company has continued to be shown as freehold land, capital work in progress, other fixed assets and other respective heads of account;
- (ii) Interest and other finance cost for the year ended March 31, 2016 against the fund borrowed and other expenses directly attributable in this respect amounting to Rs. 9514.74 lakhs has been considered as other recoverable under current assets; and
- (iii) Compensation of Rs. 8312.34 lakhs so far received and net realisations/claims against sale of assets, advances, input credits etc. amounting to Rs. 2083.63 lakhs have been adjusted.

Necessary disclosures and adjustments arising with respect to above will be given effect to on final acceptance/settlement of the claim.



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<p>5.</p>	<p>The Company holds 198,01,000 equity shares of Rs. 10/- each in ESL Steel Limited (Formerly Electrosteel Steels Limited) (ESL) out of which 173,34,999 equity shares of Rs. 10/- each amounting to Rs. 8298.26 lakhs have been pledged with the consortium of lenders of ESL (lenders). The notices issued by the lenders for invocation of pledge of company's investment was set aside by the Hon'ble High Court at Calcutta in the earlier year and the company's plea for release of such pledge is pending before the Hon'ble Court.</p> <p>Further in the earlier years, certain land amounting to Rs. 29493.58 lakhs of the company, situated at Elavur, Tamil Naidu, were mortgaged to another lender (SREI Infrastructure Finance Limited) (SREI) of ESL and SREI had subsequently assigned the right of the said property to an Asset Reconstruction Company (ARC) although the claims of the said lender were fully discharged by the ESL as per the Resolution Plan approved by NCLT, Kolkata. Subsequently the ARC had issued SARFESI Notice and taken the symbolic possession of the said land against alleged claim in SARFESI Notice in an earlier year. The Company had disputed the alleged assignment of the loan by the lender at Hon'ble Madras High Court. Subsequently, as per direction of the Hon'ble Supreme Court, the Company had filed an application before the Debt Recovery Tribunal (DRT), Chennai for setting aside the SARFESI actions and release of the title deeds of such land. The DRT vide its order dated April 08, 2022 uploaded on April 27, 2022 had dismissed the application of the Company. On filing the appeal before the Debt Recovery Appellate Tribunal (DRAT) against the order of DRT, DRAT has directed the Company to deposit 50% of the SARFESI demand i.e. Rs. 29355.04 lakhs and was of the view that at admission stage it cannot go in to the merits of the case hence, cannot give any relief on the pre-deposit. The Company then has filed revision application at Hon'ble Madras High Court under Article 227 of the Indian Constitution and a Writ Application under Article 226 of Indian Constitution challenging provisions of pre-deposit under SARFESI Act. The matter is now pending before Hon'ble Madras High Court.</p> <p>Earlier, the ARC had also filed an application before the National Company Law Tribunal, Cuttack for initiation of Corporate Insolvency and Resolution Process (CIRP) process against the Company which has been decided in the favour of the Company vide NCLT order dated June 24, 2022 by dismissing the application of ARC. The ARC has challenged the order of NCLT, Cuttack and the matter is pending before National Company Law Appellate Tribunal (NCLAT), New Delhi.</p> <p>Pending finalization of the matter, these assets have been carried forward at their book value.</p>
<p>6.</p>	<p>The company has allotted 2,35,79,344 warrants convertible into or exchangeable for 1 (one) fully paid-up equity shares of the company having face value of Re. 1 each at the issue price of Rs. 42.41 each payable in cash ('warrant issue price') on preferential basis to Promoter/ Promoter group on December 27, 2022 as approved by the Shareholders vide their postal ballot resolution dated December 23, 2022. The said allotment has been done upon receipt of Rs. 10.60 for each warrants being equivalent to 25% of the warrant issue price as upfront contribution entitling the warrant holders to apply for and get allotted one equity shares of the company against each warrant held in one or more tranche within a maximum period of eighteen months from the date of allotment on payment of balance Rs. 31.81 which is equivalent to 75% of the warrant issue price.</p>
<p>7.</p>	<p>Previous periods' figures have been regrouped/rearranged wherever necessary.</p>
<p>Kolkata February 14, 2023</p>	<p style="text-align: right;"><b>For ELECTROSTEEL CASTINGS LIMITED</b></p> <div style="text-align: center;">  </div> <div style="text-align: right;">   <b>Umang Kejriwal</b>        Managing Director        (DIN: 000065173)     </div>

**Independent Auditors' Review Report  
The Board of Directors  
Electrosteel Castings Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **Electrosteel Castings Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter and nine months ended December 31, 2022 ("the Statement"), being submitted by the Parent Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations 2015"), which has been initialed by us for identification purposes.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. We also have performed the procedures for review in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33 (8) of the Listing Regulations 2015, to the extent applicable

5. The Statement includes the results of the following entities:

<b>Name of the Subsidiaries (Including Step-down Subsidiaries)</b>	
a) Electrosteel Trading S.A. Spain	b) Electrosteel Castings (UK) Limited
c) Electrosteel Castings Gulf FZE	d) Electrosteel USA, LLC
e) Electrosteel Doha for Trading LLC	f) WaterFab LLC (acquired 100% share capital through wholly owned subsidiary Electrosteel USA, LLC)
g) Electrosteel Brasil Ltd. Tubos e Conexoes Duties	h) Electrosteel Bahrain Trading WLL (subsidiary of Electrosteel Bahrain Holding Company S.P.C)
i) Electrosteel Bahrain Holding Company S.P.C	j) Electrosteel Algeria SPA
k) Electrosteel Europe S.A	
<b>Name of the Joint Venture Companies</b>	
a) North Dhadhu Mining Company Private Limited	b) Domco Private Limited



6. Attention is drawn to the following Notes of the Statement which are subject matter of qualified conclusion as given in Para 7 below::
- a) Note no. 4 regarding cancellation of coal block allotted to the Parent in earlier year and adjustment required to be carried out in respect of the claim received so far and carrying value of the property, plant and equipment, capital work in progress, inventory and other heads of account for reasons stated therein; and
  - b) Note No. 5 in respect of Parent's investment in ESL Steel Limited (ESL), the pledge of which was invoked by the lenders of ESL and the same was set aside by Hon'ble High court at Calcutta and mortgage of Land of Elavur plant in favour of one of the lenders of ESL who had assigned their rights to another party and consequent to symbolic possession taken by the said party, the matter has been disputed by the parent and is currently pending before DRAT and Hon'ble High Court at Madras.
  - c) Pending finalization of the matters dealt with in (a) and (b), impacts thereof are presently not ascertainable and as such cannot be commented upon by us.
7. Based on our review conducted as above and based on the consideration of the review report of other auditor and management certified accounts referred to in Paragraph 8 and 9 below, we report that excepting the possible effects of the matters stated in Para 6 above, nothing has come to our attention that causes us to believe that the accompanying statement read with notes thereon, prepared in accordance with aforesaid Indian Accounting Standards and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, 2015, including the manner in which it is to be disclosed or it contains any material mis-statement.
8. We did not review the unaudited interim financial results and other financial information in respect of one subsidiary located outside India included in the consolidated unaudited financial statements, whose financial results reflects total income of Rs. 7,07,14.78 lakhs (including Rs.2,10,27.23 lakhs for the period), Net profit after tax of Rs. 13,79.09 lakhs (including Rs. 14,95.60 for the period), total comprehensive income of Rs. 19,35.67 lakhs (including Rs. 11,76.64 lakhs for the period) for the nine months ended December 31, 2022 as considered in the unaudited consolidated financial results. These interim financial statements have been reviewed by the other auditor whose report have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the reports of the other auditors and procedures performed by us as stated above.
9. The accompanying statement also includes the interim financial results and other financial information of ten subsidiaries (including two step down subsidiaries) whose interim financial results reflects total income of Rs. 5,08,61.64 lakhs (including Rs.1,85,85.80 for the period), Net profit after tax of Rs. 37,41.29 lakhs (including Rs. 15,64.62 lakhs for the period), total comprehensive income of Rs. 47,15.63 lakhs (including Rs. 19,69.59 lakhs for the period) for the nine months ended December 31, 2022 as considered in the unaudited consolidated financial results have not been reviewed by their auditors and have been certified by the management of the respective subsidiaries.
10. The above-mentioned subsidiaries are located outside India whose interim financial results have been prepared in accordance with the accounting principles generally accepted in their respective countries and have been reviewed by their auditors, wherever stated above, under generally accepted auditing standards applicable in their respective countries. The Parent's management has converted the interim financial results of these subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Parent company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of the other auditors/management certified accounts and the conversion adjustments prepared by the management of the parent company and reviewed by us.



11. Our conclusion on the Statement is not modified in respect of the matters stated in Para (8) to (10) above.
12. In view of the Investment in North Dhadhu Mining Company Private Limited, a Joint Venture of the Parent being fully provided in the books, the results of North Dhadhu Mining Company Private Limited have not been incorporated in these consolidated results.
13. As stated in Note no. 6 of the unaudited consolidated financial results, the financial statements of Domco Private Limited, a joint venture have not been consolidated in these results due to non-availability of the statements as required in terms of Ind AS 28 on "Investment in Associates and Joint Ventures".
14. (a) The consolidated financial information of the Company for the quarter ended June 2022 included in nine months ended December 31, 2022 were reviewed by the predecessor auditor who expressed modified opinion on the same vide their report dated August 12, 2022;  
  
(b) The comparative consolidated financial information of the Group for the corresponding quarter and nine months ended December 31, 2021 were reviewed by the predecessor auditor who expressed modified conclusion on the same vide their report dated February 14, 2022.  
  
(c) The consolidated financial statements of the Group for the year ended March 31, 2022 were audited by predecessor auditor who expressed modified opinion on the same vide their reports dated May 10, 2022.  
  
(d) Reliance has been placed by us on the report of the said predecessor auditors with respect to (a) to (c) above and our conclusion is not modified in respect of these matters

For Lodha & Co,  
**Chartered Accountants**  
Firm's ICAI Registration No. 301051E



Place: Kolkata  
Date: February 14, 2023

*R. P. Singh*  
R. P. Singh  
Partner  
Membership No. 052438  
UDIN: 23052438BGXSBE3845



**ELECTROSTEEL CASTINGS LIMITED**  
CIN: L27310OR1955PLC000310

Registered Office : Rathod Colony, Rajgangpur, Sundergarh, Odisha 770 017  
Tel. No.:+91 06624 220 332; Fax:+91 06624 220 332  
Corporate Office: 19, Camac Street, Kolkata 700 017  
Website: www.electrosteel.com  
E-mail: companysecretary@electrosteel.com

(Amount Rs. in lakhs unless otherwise stated)

**STATEMENT OF UNAUDITED CONSOLIDATED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31/12/2022**

Particulars	3 months ended 31/12/2022	Preceding 3 months ended 30/09/2022	Corresponding 3 months ended in the previous year 31/12/2021	Year to date figures for current period ended 31/12/2022	Year to date figures for previous period ended 31/12/2021	Year to date figures for previous year ended 31/03/2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Revenue From Operations	185185.69	178414.67	143818.31	540313.40	370400.15	528095.22
2. Other Income	1534.16	1695.09	1248.54	4863.15	4718.22	5575.66
3. Total income ( 1 + 2 )	186719.85	180109.76	145066.85	545176.55	375118.37	533670.88
4. EXPENSES						
(a) Cost of materials consumed	104430.33	103917.87	71618.98	306699.68	180495.92	275294.37
(b) Purchases of Stock-in-Trade	5536.03	3804.18	2925.15	12201.12	7500.38	11208.34
(c) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	(3972.42)	(9096.00)	(8555.63)	(23854.12)	(17784.51)	(38679.33)
(d) Employee benefits expense	11217.69	11238.35	10415.60	32563.94	29366.31	39769.36
(e) Finance costs	7720.87	6929.33	4485.54	20864.90	14193.62	19467.99
(f) Depreciation and amortization expense	3020.45	3014.38	2731.92	9052.25	8410.49	11468.03
(g) Other expenses	49238.58	53116.62	48455.65	158216.35	122765.82	170713.36
Total expenses	177191.53	172924.73	132077.21	515744.12	344948.03	489242.12
5. Profit before tax ( 3-4 )	9528.32	7185.03	12989.64	29432.43	30170.34	44428.76
6. Tax expense:						
Current tax	1911.75	2625.17	3231.88	8422.28	7068.56	10952.62
Deferred tax	(235.11)	(744.48)	(236.81)	(1663.74)	(681.50)	(1149.49)
Related to earlier year	-	-	325.32	-	325.32	(131.36)
7. Profit for the period (5-6)	7851.68	5304.34	9669.25	22673.89	23457.96	34756.99
8. Profit for the period attributable to:						
- Owners of the Company	7843.47	5284.80	9663.08	22637.15	23434.94	34727.73
- Non-Controlling Interest	8.21	19.54	6.17	36.74	23.02	29.26
9. Other Comprehensive Income						
A (i) Items that will not be reclassified to profit or loss						
a) Remeasurements of the defined benefit plans	(23.56)	(23.56)	26.33	(70.68)	78.99	(174.28)
b) Equity instruments through other comprehensive income	-	-	-	3.94	(0.06)	5350.86
(ii) Income tax relating to items that will not be reclassified to profit or loss	5.93	5.93	(6.63)	16.89	(19.87)	43.88
B (i) Items that will be reclassified to profit or loss						
- Foreign currency translation differences	86.00	973.55	219.02	1530.92	272.11	483.08
(ii) Income tax relating to item that will be reclassified to profit or loss	-	-	-	-	-	-
Other Comprehensive Income (net of tax)	68.37	955.92	238.72	1481.07	331.17	5703.54
10. Other Comprehensive Income attributable to:						
- Owners of the Company	68.37	955.92	238.72	1481.07	331.17	5703.54
- Non-Controlling Interest	-	-	-	-	-	-
11. Total Comprehensive Income for the period (7+9)	7920.05	6260.26	9907.97	24154.96	23789.13	40460.53
12. Total Comprehensive Income attributable to:						
- Owners of the Company	7911.84	6240.72	9901.80	24118.22	23766.11	40431.27
- Non-Controlling Interest	8.21	19.54	6.17	36.74	23.02	29.26
13. Paid-up equity share capital (Face value - Re. 1/-)	5946.05	5946.05	5946.05	5946.05	5946.05	5946.05
14. Other equity excluding revaluation reserve						404361.81
15. Earnings per equity share of per value of Re. 1 each.						
(1) Basic (Rs.)	1.32	0.89	1.63	3.81	3.94	5.84
(2) Diluted (Rs.)	1.32	0.89	1.63	3.81	3.94	5.84



**Notes:**

1. The above unaudited consolidated financial results of Electrosteel Castings Limited ('the parent company) and its subsidiaries (together referred to as 'the group') (hereinafter referred to as "Financial Results") attached herewith which have been prepared in accordance with the Indian Accounting Standards ("Ind AS") - 34 "Interim Financial Reporting" as prescribed under section 133 of Companies Act, 2013 and compiled keeping in view the provision of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). These financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 14, 2023 and have been subjected to Limited Review by the Statutory Auditors of the parent company.
2. The group operates mainly in one business segment viz. Pipes and all other activities revolve around the main business.
3. Due to delay in grant of forest, environment and other clearances from various authorities and execution of mining lease of an area of 192.50 ha. by the State Government of Jharkhand for iron and manganese ores at Dirsumburu in Kodilabad Reserve Forest, Saranda of West Singhbhum, Jharkhand, the validity period of letter of intent granted in this respect got expired on January 11, 2017. Pending decision of Hon'ble High Court at Jharkhand on the matter pursuant to the writ petition filed before the said court, the parent company without prejudice to the decision to pursue the said petition has decided in the quarter ended June 30, 2022 as a matter of abundant caution to charge off the amounts so paid pertaining to the said mine and carried forward under Capital work in progress and advances and thereby, Rs. 2756.99 lakhs has been included under other expenses in nine months ended December 31, 2022.
4. 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 parent Company which was under advanced stage of implementation, had been cancelled w.e.f. April 01, 2015. In terms of the Ordinance, the parent Company was allowed to continue the operations in the said block till March 31, 2015. Accordingly, the said block had been handed over to Bharat Coking Coal Limited (BCCL) as per the direction from Coal India Ltd. (CIL) with effect from April 01, 2015 and the same was subsequently allotted to Steel Authority of India Limited (SAIL). The parent company also came to understand that SAIL subsequently handed over back the said coal block to the custody of BCCL.

Following a petition filed by the parent Company, the Hon'ble High Court at Delhi had pronounced its judgement on March 09, 2017. Accordingly based on the said judgement, the parent Company has claimed Rs.153176.00 lakhs towards compensation against the said coal block, acceptance whereof is awaited. Aggrieved due to delay in acceptance of claim, on a petition filed by the parent Company, the Hon'ble High Court had directed the Nominated Authority appointed under Ministry of Coal to determine the amount of compensation to be paid to the parent company. Earlier the Nominated Authority had upheld its decision of compensation already paid and the same was set aside by the Hon'ble High Court with a direction to the Nominated Authority to reconsider the said decision. The Nominated Authority further passed an order dated November 11, 2019 awarding an additional compensation of Rs. 180.00 lakhs and with a further direction to re-determine the value of certain assets by the appropriate authority. Subsequently a newly appointed Nominated Authority (New Nominated Authority) had appointed a valuer to determine the value of those specified assets as per the direction of Nominated Authority dated November 11, 2019. Based on the valuation report submitted to the New Nominated Authority, the valuer had recommended a valuation based on total direct / hard cost, for such specified assets, which is under consideration and a final compensation has not been decided. The parent company had also earlier approached the New Nominated Authority/ Ministry of Coal (Ministry) to similarly reconsider the compensation determined by the previous Nominated Authority, for land and some other major assets. Pending such decision, in the meantime the Ministry vide notification dated November 03, 2022 has included the said Parbatpur Coal Block in the "16th Tranche of Auction Under Coal Mines (Special Provisions) Act, 2015". The management however is pursuing to get the compensation determined in terms of the judgement passed by the Hon'ble High Court of Delhi.

Pending finalisation of the matter as above;

- (i) Rs.128884.11 lakhs incurred pertaining to the coal block till March 31, 2015 after setting off income, stocks etc. there against as per the accounting policy then followed by the parent company has continued to be shown as freehold land, capital work in progress, other fixed assets and other respective heads of account;
- (ii) Interest and other finance cost for the year ended March 31, 2016 against the fund borrowed and other expenses directly attributable in this respect amounting to Rs. 9514.74 lakhs has been considered as other recoverable under current assets; and
- (iii) Compensation of Rs. 8312.34 lakhs so far received and net realisations/claims against sale of assets, advances, input credits etc. amounting to Rs. 2083.63 lakhs have been adjusted.

Necessary disclosures and adjustments arising with respect to above will be given effect to on final acceptance/settlement of the claim.



*[Handwritten signature]*

<p>5.</p> <p>6.</p> <p>7.</p> <p>8.</p>	<p>The parent company holds 198,01,000 equity shares of Rs. 10/- each in ESL Steel Limited (Formerly Electrosteel Steels Limited) (ESL) out of which 173,34,999 equity shares of Rs. 10/- each amounting to Rs. 8298.26 lakhs have been pledged with the consortium of lenders of ESL (lenders). The notices issued by the lenders for invocation of pledge of the parent company's investment was set aside by the Hon'ble High Court at Calcutta in the earlier year and the parent company's plea for release of such pledge is pending before the Hon'ble Court.</p> <p>Further in the earlier years, certain land amounting to Rs. 29493.58 lakhs of the parent company, situated at Elavur, Tamil Nadu, were mortgaged to a lender (SREI Infrastructure Finance Limited) (SREI) of ESL and SREI had subsequently assigned the right of the said property to an Asset Reconstruction Company (ARC) although the claims of the said lender were fully discharged by the ESL as per the Resolution Plan approved by NCLT, Kolkata. Subsequently the ARC had issued SARFESI Notice and taken the symbolic possession of the said land against alleged claim in SARFESI Notice in an earlier year. The parent Company had disputed the alleged assignment of the loan by the lender at Hon'ble Madras High Court. Subsequently, as per direction of the Hon'ble Supreme Court, the parent Company had filed an application before the Debt Recovery Tribunal (DRT), Chennai for setting aside the SARFESI actions and release of the title deeds of such land. The DRT vide its order dated April 08, 2022 uploaded on April 27 2022 had dismissed the application of the parent Company. On filing the appeal before the Debt Recovery Appellate Tribunal (DRAT) against the order of DRT, DRAT has directed the parent Company to deposit 50% of the SARFESI demand i.e. Rs. 29355.04 lakhs and was of the view that at admission stage it cannot go in to the merits of the case hence, cannot give any relief on the pre-deposit. The parent Company then has filed revision application at Hon'ble Madras High Court under Article 227 of the Indian Constitution and a Writ Application under Article 226 of Indian Constitution challenging provisions of pre-deposit under SARFESI Act. The matter is now pending before Hon'ble Madras High Court.</p> <p>Earlier, the ARC had also filed an application before the National Company Law Tribunal, Cuttack for initiation of Corporate Insolvency and Resolution Process (CIRP) process against the parent Company which has been decided in the favour of the parent Company vide NCLT order dated 24th June 2022 by dismissing the application of ARC. The ARC has challenged the order of NCLT, Cuttack and the matter is pending before National Company Law Appellate Tribunal (NCLAT), New Delhi.</p> <p>Pending finalization of the matter, these assets have been carried forward at their book value.</p> <p>The parent company has investment of Rs. 730.00 lakhs (including advance of Rs. 700.00 lakhs) in Domco Private Limited (DPL), and has joint control (proportion of ownership interest of the parent Company being 50%). The other Venturers had filed a petition before the Company Law Board, Principal Bench, New Delhi (CLB) on various matters including for forfeiture of the parent Company's investment in equity shares of the DPL. The parent Company had also inter alia filed an arbitration proceeding under Arbitration &amp; Conciliation Act, 1996 against recovery of the said amount against which the ventures also filed their counter claims on the parent Company. The matter is sub judice before the NCLT. Pending final outcome of the above matter, the amounts in equity shares and advance have been fully provided for in the financial statements. The other venturers since not providing the financial statements of DPL, and thereby necessary disclosures could not be provided in these consolidated financial results.</p> <p>The parent company has allotted 2,35,79,344 warrants convertible into or exchangeable for 1 (one) fully paid-up equity shares of the parent company having face value of Re. 1 each at the issue price of Rs. 42.41 each payable in cash ('warrant issue price') on preferential basis to Promoter/ Promoter group on December 27, 2022 as approved by the Shareholders vide their postal ballot resolution dated December 23, 2022. The said allotment has been done upon receipt of Rs. 10.60 for each warrants being equivalent to 25% of the warrant issue price as upfront contribution entitling the warrant holders to apply for and get allotted one equity shares of the parent company against each warrant held in one or more tranche within a maximum period of eighteen months from the date of allotment on payment of balance Rs. 31.81 which is equivalent to 75% of the warrant issue price.</p> <p>Previous periods' figures have been regrouped/rearranged wherever necessary.</p>	
<p>Kolkata February 14, 2023</p>		<p style="text-align: right;"><b>For ELECTROSTEEL CASTINGS LIMITED</b></p> <p style="text-align: right;"> <b>Umang Kejriwal</b> Managing Director (DIN: 000065173)</p>