

**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 six months ended on September 30, 2023 ('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. 3 regarding cancellation of coal block allotted to the company in earlier year and adjustments required to be carried out in respect of the claim to be received, amount received so far in this respect and carrying value of the property, plant and equipment, capital work in progress, inventory and balances lying under other heads of account for the reasons stated therein; and
 - b) Note No. 4 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 at Elavur plant in favour of one of the lenders of ESL who had assigned their rights to another party and symbolic possession of the land had been 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.

Place: Kolkata
Date: November 09, 2023



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

R. P. Singh

R. P. Singh
Partner

Membership No. 052438
UDIN: 23052438BGXSEQ1883

**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

(Rs. in lakhs)

STATEMENT OF UNAUDITED STANDALONE RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30/09/2023

Particulars	3 months ended 30/09/2023	Preceding 3 months ended 30/06/2023	Corresponding 3 months ended in the previous year 30/09/2022	Year to date figures for current period ended 30/09/2023	Year to date figures for previous period ended 30/09/2022	Year to date figures for previous year ended 31/03/2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Revenue From Operations	187022.28	149492.29	169754.81	336514.57	342614.53	691600.46
2. Other Income	1801.90	3476.06	2780.10	5277.96	5017.27	9652.16
3. Total income (1 + 2)	188824.18	152968.35	172534.91	341792.53	347631.80	701252.62
4. EXPENSES						
(a) Cost of materials consumed	93650.87	86769.19	103917.87	180420.06	202269.35	399087.45
(b) Changes in inventories of finished goods, Stock in-Trade and work-in-progress	5609.12	(3887.40)	(6010.48)	1721.72	(11013.73)	(2696.15)
(c) Employee benefits expense	10803.74	8801.41	9462.85	19605.15	17900.32	35809.78
(d) Finance costs	5469.13	5127.58	6697.77	10596.71	12664.63	27224.33
(e) Depreciation and amortization expense	2855.26	2840.03	2871.92	5695.29	5743.91	11401.63
(f) Other expenses	45686.72	42856.90	47507.36	88543.62	98256.87	187147.43
Total expenses	164074.84	142507.71	164447.29	306582.55	325821.35	657974.47
5. Profit before tax (3 - 4)	24749.34	10460.64	8087.62	35209.98	21810.45	43278.15
6. Tax expense:						
Current tax	6701.89	2335.05	2150.85	9036.94	5703.16	10633.96
Deferred tax	(357.73)	(13.96)	(455.94)	(371.69)	(703.68)	(832.16)
7. Profit for the period (5 - 6)	18405.18	8139.55	6392.71	26544.73	16810.97	33476.35
8. Other Comprehensive Income						
A (i) Items that will not be reclassified to profit or loss						
a) Remeasurements of the defined benefit plans	(1.14)	(1.13)	(23.56)	(2.27)	(47.12)	(4.13)
b) Equity instruments through other comprehensive income	(592.90)	-	-	(592.90)	3.94	(2912.23)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(1.30)	0.29	5.93	(1.01)	10.96	0.19
B (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
Other Comprehensive Income for the period (net of tax)	(595.34)	(0.84)	(17.63)	(596.18)	(32.22)	(2916.17)
9. Total Comprehensive Income for the period (7 + 8)	17809.84	8138.71	6375.08	25948.55	16778.75	30560.18
10. Paid-up equity share capital (Face value - Re. 1/-)	5946.05	5946.05	5946.05	5946.05	5946.05	5946.05
11. Other equity excluding revaluation reserve						421099.47
12. Earnings per equity share of par value of Re. 1 each (not annualised).						
(1) Basic (Rs.)	3.09	1.37	1.08	4.46	2.83	5.63
(2) Diluted (Rs.)	3.08	1.37	1.08	4.45	2.83	5.63



Annexure I

(Rs.in lakhs)

STANDALONE STATEMENT OF ASSETS AND LIABILITIES

Particulars		As at September 30, 2023	As at March 31, 2023
		Unaudited	Audited
A. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment		265188.17	260514.88
(b) Capital work-in-progress		127969.33	130237.00
(c) Other Intangible assets		415.37	463.06
(d) Right-of-use assets		3344.09	3485.27
(e) Investments in subsidiaries and joint ventures		6368.05	6368.05
(f) Financial Assets			
(i) Investments		6001.00	6593.90
(ii) Other financial assets		28250.45	5536.77
(g) Other non-current tax assets (Net)		1097.36	2023.18
(h) Other non-current assets		1531.53	2756.25
Total Non-Current assets		440165.35	417978.36
(2) Current assets			
(a) Inventories		180108.76	169372.62
(b) Financial Assets			
(i) Investments		33082.66	9542.05
(ii) Trade receivables		127161.39	130953.27
(iii) Cash and cash equivalents		15586.23	20050.98
(iv) Bank balances other than (iii) above		16349.07	18152.74
(v) Loans		-	10935.00
(vi) Other financial assets		20948.35	19743.21
(c) Other current assets		16597.46	12477.35
Total Current assets		409833.92	391227.22
Total Assets		849999.27	809205.58
B. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital		5946.05	5946.05
(b) Other Equity		441696.57	421099.47
Total Equity		447642.62	427045.52
Liabilities			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings		52329.79	70567.72
(ii) Lease liabilities		1444.43	1486.79
(b) Provisions		4336.80	4004.46
(c) Deferred tax liabilities (Net)		34429.71	34800.39
(d) Other non-current liabilities		25421.39	392.60
(e) Non-current Tax Liabilities (Net)		6177.07	6210.24
Total Non-current liabilities		124139.19	117462.20
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings		165294.29	173023.10
(ii) Lease liabilities		429.08	510.65
(iii) Trade payables			
(a) Total Outstanding dues of micro and small enterprises: and		670.69	1595.15
(b) Total Outstanding dues of creditor other than micro and small enterprises		52732.00	49622.12
(iv) Other financial liabilities		7555.87	10122.50
(b) Other current liabilities		47806.27	28329.03
(c) Provisions		1742.31	1495.31
(d) Current Tax Liabilities (Net)		1986.95	-
Total Current liabilities		278217.46	264697.86
Total Equity and Liabilities		849999.27	809205.58



STANDALONE STATEMENT OF CASH FLOW			
(Rs. in lakhs)			
Particulars	For the half year ended September 30, 2023	For the half year ended September 30, 2022	
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax	35209.98		21810.45
Adjustment to reconcile profit before tax to net cash generated from operating activities			
Add : Depreciation and amortisation expenses	5695.29		5743.91
Sundry balances/Advances/ CWIP written off	749.27		2757.00
Provision for Security Deposit & Others	-		1687.60
Loss on sale / discard of fixed assets (Net)	1371.83		197.92
Unrealised foreign exchange fluctuation and translation	2416.14		2932.68
Finance costs	10596.71	20829.24	12664.63
	56039.22		25983.74
Less: Interest income	2381.66		2467.35
Net gain on fair valuation of Current Investment	318.76		86.55
Dividend income from investments	1424.13		1917.46
Deferred Income	12.82		12.82
Net gain on derecognition of financial assets at amortised cost	13.98		-
Fair valuation of derivative instruments through Profit and Loss	1274.09		2934.51
Credit loss allowance on trade receivables/advances/others	4.40		4.84
Profit on sale of Current Investments	216.33		2.87
Provisions / Liabilities no longer required written back	730.00	6376.17	594.86
Operating Profit before Working Capital changes	49663.05		39772.93
Movements in working capital			
Less: Increase/(Decrease) in Inventories	10736.14		718.28
Increase/(Decrease) in Trade Receivables	(1774.96)		20655.72
Increase/(Decrease) in Loans and Advances, other financial and non-financial assets	4052.38		5093.43
(Increase)/Decrease in Trade Payables, other financial and non-financial liabilities and provisions	(47721.03)	(34707.47)	17169.41
Cash generated From Operations	84370.52		(3863.91)
Less: Direct Taxes paid (Net)	6157.34		5177.75
Net cash flow from Operating Activities (A)	78213.18		(9041.66)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Payment against Property, Plant and Equipment, Intangible Assets and movements in Capital work in progress	(10933.85)		(5503.58)
Realisation against Property, Plant and Equipment, Intangible Assets	184.84		115.58
Purchase of Current Investment	(193435.88)		(148409.08)
Sale of Current Investment	170430.36		172351.68
Inter Corporate Loan given	-		(17500.00)
Inter Corporate Loan repaid	10935.00		308.00
Interest received	2225.25		2153.53
Dividend received	1424.13		1917.46
Movement in bank balances other than cash and cash equivalents	(20939.00)	(40109.15)	4705.05
Net Cash flow from Investing Activities (B)	(40109.15)		10138.64
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds/(Repayments) from short term borrowings (net)	(10259.72)		4352.62
Repayment of long term borrowings	(29071.91)		(10685.71)
Proceeds from long term borrowings	12325.54		11700.00
Interest and other borrowing cost paid	(10072.58)		(11397.28)
Repayment of Lease Liability	(138.66)		(289.66)
Dividend paid	(5351.45)	(42568.78)	(4756.84)
Net cash flow from Financing Activities (C)	(42568.78)		(11076.87)
D. Net increase/(decrease) in Cash and Cash equivalents (A+B+C)	(4464.75)		(9979.89)
E. Cash and Cash equivalents at the beginning of the period	20050.98		15214.34
F. Cash and Cash equivalents as at the end of the period	15586.23		5234.45



Notes:

1. The above unaudited standalone financial results includes Statement of Assets and Liabilities as at September 30, 2023 (Enclosed as "Annexure I") and Statement of Cash Flow for the half year ended September 30, 2023 (Enclosed as "Annexure II") (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 November 09, 2023 and have been subjected to Limited Review by the Statutory Auditors.
2. The Company operates mainly in one business segment viz. Pipes and fittings and all other activities revolve around the main business.
3. 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 thereafter allotted to Steel Authority of India Limited (SAIL) and pending final determination, compensation of Rs. 8312.14 lakhs was received. 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, and based on the said judgement, the Company has so far claimed Rs.154944.48 lakhs towards compensation against the said coal block and acceptance of the same 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 which 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. The company came to understand that valuation report recommending a valuation of total direct/hard cost for specified assets has been submitted to the New Nominated Authority and the same is under consideration and a final compensation is yet to be decided. Various certifications and details as sought by New Nominated Authority in this connection have been submitted. 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.

In the meantime, JSW Steel Limited (JSW) has been declared as successful bidder for Parbatpur Coal Block in 16th Tranche of Auction Under Coal Mines (Special Provisions) Act, 2015 and vesting order dated June 08, 2023 has been issued by the Ministry of Coal in favour of JSW. JSW is claiming that it has taken the physical possession of said coal block and has therefore requested to initiate negotiations for utilization of movable property/ assets used in coal mining. The Company has approached the Hon'ble Delhi High Court for various clarifications and reliefs and the matter is pending before them as on this date. The company's management is actively pursuing to revise and determine the amount of entire compensation for the coal block including mine infrastructure and land and all other related assets in terms of Coal Mines (Special Provisions) Act, 2015 read with judgement dated March 09, 2017 pronounced by the Hon'ble High Court at Delhi and taking all necessary legal and other steps for the same.

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 been 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. 2090.04 lakhs have been adjusted. Bank guarantee amounting to Rs. 920.00 lakhs has been given against the compensation received.

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



4. The Company holds 197,96,000 equity shares of Rs. 10/- each in ESL Steel Limited (ESL) out of which 173,34,999 equity shares of Rs. 10/- each amounting to Rs. 5744.81 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.

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 SARAFESI Notice and taken the symbolic possession of the said land against alleged claim in SARAFESI 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 SARAFESI 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 SARAFESI 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 SARAFESI Act. The matter is now pending before Hon'ble Madras High Court.

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.

Pending finalization of the matter, these assets have been carried forward at their book value.

5. Pursuant to a settlement arrived in respect of Company's Joint Venture, Domco Private Limited (DPL) for carrying out mining of Coal at Jharkhand, Investment in Equity shares of DPL amounting to Rs. 30.00 lakhs and advance of Rs. 700.00 lakhs given to them being no longer recoverable have been written off during the previous quarter. Consequent to the said settlement Arbitration and other proceedings by or against the company have been withdrawn and DPL ceased to be a Joint Venture of the company. This, however, does not have any impact on the financial results of the current period since impairment in value thereof was provided in earlier years and the same consequent to the write off as above, has been written back and included under other income of the period ended September 30, 2023.
6. The Shareholders in the Annual General Meeting held on September 11, 2023 has approved the final dividend of Re. 0.90 per equity share in respect of the financial year ended March 31, 2023 resulting in dividend outflow of Rs. 5351.45 lakhs.
7. Previous periods' figures have been regrouped/rearranged wherever necessary.

Kolkata
November 9, 2023



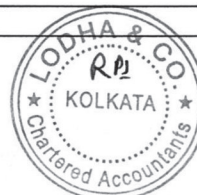
For ELECTROSTEEL CASTINGS LIMITED


Umang Kejriwal
Managing Director
(DIN: 000065173)

**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 six months ended September 30, 2023 ("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:

Name of the Subsidiaries (Including Step-down Subsidiaries)	
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	
Name of the Joint Venture Companies	
a) North Dhadhu Mining Company 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. 3 cancellation of coal block allotted to the parent in earlier year and adjustments required to be carried out in respect of the claim to be received, amount received so far in this respect and carrying value of the property, plant and equipment, capital work in progress, inventory and balance lying under other heads of account for the reasons stated therein; and
 - b) Note No. 4 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 at Elavur plant in favour of one of the lenders of ESL who had assigned their rights to another party and symbolic possession of the land had been 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 assets of Rs. 7,29,19.82 lakhs as at September 30, 2023, total income of Rs. 5,31,05.44 lakhs (including Rs. 23,433.45 lakhs for the period), Net profit after tax of Rs. 13,34.40 lakhs (including Rs. 4,16.85 lakhs for the period), total comprehensive income of Rs. 12,42.89 lakhs (including Rs. 1,94.19 lakhs for the period) and net cash inflow of Rs. 35,11.80 lakhs for the six months ended September 30, 2023 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 assets of Rs. 5,70,13.64 lakhs as at September 30, 2023, total income of Rs. 3,85,92.43 lakhs (including Rs. 1,92,29.51 lakhs for the period), Net profit after tax of Rs. 23,31.89 lakhs (including Rs. 14,94.48 lakhs for the period), total comprehensive income of Rs. 24,26.57 lakhs (including Rs. 15,58.69 lakhs) and net cash outflow of Rs. 1,17.94 lakhs for the six months ended September 30, 2023 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.

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



Place: Kolkata
Date: November 09, 2023

R. P. Singh
R. P. Singh
Partner
Membership No. 052438
UDIN: 23052438BGXSER5626



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

(Rs. in lakhs)

STATEMENT OF UNAUDITED CONSOLIDATED RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30/09/2023

Particulars	3 months ended 30/09/2023	Preceding 3 months ended 30/06/2023	Corresponding 3 months ended in the previous year 30/09/2022	Year to date figures for current period ended 30/09/2023	Year to date figures for previous period ended 30/09/2022	Year to date figures for previous year ended 31/03/2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Revenue From Operations	191934.08	168503.52	178414.67	360437.60	355127.71	727550.76
2. Other Income	1817.99	2698.72	1695.09	4516.71	3328.99	8492.00
3. Total income (1 + 2)	193752.07	171202.24	180109.76	364954.31	358456.70	736042.76
4. EXPENSES						
(a) Cost of materials consumed	93650.87	86769.19	103917.87	180420.06	202269.35	399087.45
(b) Purchases of Stock-in-Trade	3422.04	3383.57	3804.18	6805.61	6665.09	15792.00
(c) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	1004.22	2954.43	(9096.00)	3958.65	(19881.70)	(16002.03)
(d) Employee benefits expense	13011.97	10964.70	11238.35	23976.67	21346.25	43040.99
(e) Finance costs	5728.27	5691.62	6929.33	11419.89	13144.03	28588.92
(f) Depreciation and amortization expense	3043.96	3023.61	3014.38	6067.57	6031.80	12119.76
(g) Other expenses	50808.07	48397.79	53116.62	99205.86	108977.77	211875.41
Total expenses	170669.40	161184.91	172924.73	331854.31	338552.59	694502.50
5. Profit before tax (3-4)	23082.67	10017.33	7185.03	33100.00	19904.11	41540.26
6. Tax expense:						
Current tax	6924.75	2867.81	2625.17	9792.56	6510.53	12505.57
Deferred tax	(1307.45)	(342.64)	(744.48)	(1650.09)	(1428.63)	(2588.64)
7. Profit for the period (5-6)	17465.37	7492.16	5304.34	24957.53	14822.21	31623.33
8. Profit for the period attributable to:						
- Owners of the Parent	17457.42	7486.48	5284.80	24943.90	14793.68	31580.22
- Non-Controlling Interest	7.95	5.68	19.54	13.63	28.53	43.11
9. Other Comprehensive Income						
A (i) Items that will not be reclassified to profit or loss						
a) Remeasurements of the defined benefit plans	(1.14)	(1.13)	(23.56)	(2.27)	(47.12)	(4.13)
b) Equity instruments through other comprehensive income	(592.90)	0.05	-	(592.85)	3.94	(2912.30)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(1.30)	0.29	5.93	(1.01)	10.96	0.19
B (i) Items that will be reclassified to profit or loss						
- Foreign currency translation differences	(158.46)	161.58	973.55	3.12	1444.92	1549.19
(ii) Income tax relating to item that will be reclassified to profit or loss	-	-	-	-	-	-
Other Comprehensive Income (net of tax)	(753.80)	160.79	955.92	(593.01)	1412.70	(1367.05)
10. Other Comprehensive Income attributable to:						
- Owners of the Parent	(753.80)	160.79	955.92	(593.01)	1412.70	(1367.05)
- Non-Controlling Interest	-	-	-	-	-	-
11. Total Comprehensive Income for the period (7+9)	16711.57	7652.95	6260.26	24364.52	16234.91	30256.28
12. Total Comprehensive Income attributable to:						
- Owners of the Parent	16703.62	7647.27	6240.72	24350.89	16206.38	30213.17
- Non-Controlling Interest	7.95	5.68	19.54	13.63	28.53	43.11
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						432317.55
15. Earnings per equity share of per value of Re. 1 each (not annualised).						
(1) Basic (Rs.)	2.94	1.26	0.89	4.20	2.49	5.31
(2) Diluted (Rs.)	2.93	1.26	0.89	4.19	2.49	5.31



Annexure I

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES			(Rs. in lakhs)
Particulars	As at September 30, 2023	As at March 31, 2023	
	(Unaudited)	(Audited)	
A. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	271503.01	266848.62	
(b) Capital work-in-progress	128052.32	130245.03	
(c) Goodwill on consolidation	216.03	216.03	
(d) Other Intangible assets	517.27	566.75	
(e) Right-of-use assets	5232.99	5452.68	
(f) Investments in associates and joint ventures	-	-	
(g) Financial Assets			
(i) Investments	6001.72	6594.57	
(ii) Loans	23.59	23.34	
(iii) Other financial assets	28250.45	5536.77	
(h) Non Current Tax Assets (Net)	1152.82	2240.51	
(i) Other non-current assets	1531.53	2756.25	
Total Non-Current assets	442481.73	420480.55	
(2) Current assets			
(a) Inventories	233679.94	226920.82	
(b) Financial Assets			
(i) Investments	33082.66	9542.04	
(ii) Trade receivables	104325.95	105643.35	
(iii) Cash and cash equivalents	22417.42	23049.45	
(iv) Bank balances other than (iii) above	16349.07	18152.74	
(v) Loans	-	10935.00	
(vi) Other financial assets	22896.68	21568.91	
(c) Other current assets	21038.13	15568.02	
Total Current assets	453789.85	431380.33	
Total Assets	896271.58	851860.88	
B. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	5946.05	5946.05	
(b) Other Equity	451316.99	432317.55	
(c) Non-Controlling Interest	139.48	109.52	
Total Equity	457402.52	438373.12	
LIABILITIES			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	55231.20	73656.96	
(ii) Lease liabilities	3082.92	3025.96	
(b) Provisions	4385.00	4035.14	
(c) Deferred tax liabilities (Net)	30305.45	31954.53	
(d) Other non-current liabilities	25421.39	418.60	
(e) Non-current Tax Liabilities (Net)	6177.07	6210.24	
Total Non-current liabilities	124603.03	119301.43	
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	187845.62	189156.87	
(ii) Lease liabilities	722.78	899.58	
(iii) Trade payables			
(a) Total Outstanding dues of micro and small enterprises: and	670.69	1595.15	
(b) Total Outstanding of creditor other than micro and small enterprises	59112.15	57106.79	
(iv) Other financial liabilities	8110.65	10681.16	
(b) Other current liabilities	50535.64	30097.04	
(c) Provisions	3792.04	3511.30	
(d) Current Tax Liabilities (Net)	3476.46	1138.44	
Total Current liabilities	314266.03	294186.33	
Total Equity and Liabilities	896271.58	851860.88	



Annexure II

CONSOLIDATED STATEMENT OF CASH FLOW		(Rs. in lakhs)	
Particulars	For the half year ended September 30, 2023	For the half year ended September 30, 2022	
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before Tax	33100.00		19904.11
Adjustment to reconcile profit before tax to net cash generated from operating activities			
Add Depreciation and amortisation expenses	6067.57	6031.80	
Sundry balances/Advances/CWIP written off	749.27	2,757.00	
Bad Debts	127.64	-	
Provision for Security Deposit & Others	-	1,687.60	
Credit loss allowances on trade receivables/advances/others	78.03	44.43	
Loss on sale / discard of Fixed Assets (Net)	1371.83	197.92	
Unrealised Foreign Exchange Fluctuation and translation	2416.14	2932.68	
Provision for obsolescence of Stores & Spares	-	1,194.32	
Finance costs	11419.89	22230.37	13144.03
	55330.37		27989.78
Less: Interest Income	2381.66	2467.35	47893.89
Net gain on Fair valuation of Current Investments	318.76	86.55	
Dividend Income from Investments	1.07	-	
Deferred Income	12.82	12.82	
Net gain on derecognition of financial assets at amortised cost	13.98	-	
Fair Valuation of derivative instruments through Profit and Loss	1274.09	2934.51	
Profit on sale of Current Investment	216.33	2.87	
Provisions / Liabilities no longer required written back	855.32	594.86	6098.96
Operating Profit before Working Capital changes	50256.34		41794.93
Movements in working capital			
Less: Increase/(Decrease) in Inventories	6759.12	10780.56	
Increase/(Decrease) in Trade Receivables	768.29	17647.41	
Increase/(Decrease) in Loans and Advances, other financial and non-financial assets	5525.26	5011.99	
(Increase)/Decrease in Trade Payables, other financial and non-financial liabilities and provisions	(47620.10)	14124.44	47564.40
Cash generated From Operations	84823.77		(5769.47)
Less: Direct Taxes paid (Net)	6400.02		5627.87
Net cash flow from Operating activities (A)	78423.75		(11397.34)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Payment against Property, Plant and Equipment, Intangible Assets and movements in Capital work in progress	(11247.34)	(5653.70)	
Realisation against Property, Plant and Equipment, Intangible Assets	184.84	115.58	
Purchase of Current Investment	(193435.88)	(148409.08)	
Sale of Current Investment	170430.36	172351.68	
Inter Corporate Loan given	-	(17500.00)	
Inter Corporate Loan repaid	10935.00	308.00	
Interest received	2225.25	2153.53	
Dividend received	1.07	-	
Movement in bank balances other than cash and cash equivalents	(20939.00)	4705.05	8071.06
Net Cash flow from Investing activities (B)	(41845.70)		8071.06
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds/(Repayments) from short term borrowings (net)	(3155.26)	8548.82	
Repayment of Long Term borrowings	(29946.64)	(11661.48)	
Proceeds from Long Term borrowings	12325.54	11700.00	
Interest and other borrowing cost paid	(10853.75)	(11874.68)	
Repayment of Lease Liability	(228.52)	(284.23)	
Dividend paid	(5351.45)	(4756.84)	(8328.41)
Net cash flow from Financing activities (C)	(37210.08)		(8328.41)
D. Net Increase/ (decrease) in Cash and Cash equivalents (A+B+C)	(632.03)		(11654.69)
E. Cash and Cash equivalents at the beginning of the period	23049.45		21373.21
F. Cash and Cash equivalents at the end of the period	22417.42		9718.52



Notes:

1. (a) The above unaudited consolidated financial results includes Consolidated Statement of Assets and Liabilities as at September 30, 2023 (enclosed as "Annexure I") and Statement of Consolidated Cash Flow for the half year ended September 30, 2022 (enclosed as "Annexure II") (hereinafter referred to as "Consolidated 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 consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 09, 2023 and have been subjected to Limited Review by the Statutory Auditors of the group.
- (b) The consolidated financial results for the quarter and half year ended September 30, 2023 include the figures of the Electrosteel Castings Limited (the parent) together with its subsidiaries namely Electrosteel Trading S.A. Spain, Electrosteel Castings Gulf FZE, Electrosteel Doha for Trading LLC, Electrosteel Brasil Ltd. Tubes e Conexoes Duties, Electrosteel Bahrain Holding Company S.P.C, Electrosteel Europe S.A, Electrosteel Castings (UK) Limited, Electrosteel USA, LLC, WaterFab LLC (wholly owned subsidiary Electrosteel USA, LLC), Electrosteel Bahrain Trading WLL (subsidiary of Electrosteel Bahrain Holding Company S.P.C) and Electrosteel Algeria SPA.

2. The group operates mainly in one business segment viz. Pipes and fittings and all other activities revolve around the main business.

3. 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 which was under advanced stage of implementation, had been cancelled w.e.f. April 01, 2015. In terms of the Ordinance, the parent 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 thereafter allotted to Steel Authority of India Limited (SAIL) and pending final determination compensation of Rs. 8312.14 lakhs was received. The parent 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, the Hon'ble High Court at Delhi had pronounced its judgement on March 09, 2017. Accordingly, and based on the said judgement, the parent has so far claimed Rs. 154944.48 lakhs towards compensation against the said coal block and acceptance of the same is awaited. Aggrieved due to delay in acceptance of claim, on a petition filed by the parent, 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. Earlier the Nominated Authority had upheld its decision of compensation already paid which 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. The parent came to understand that valuation report recommending a valuation of total direct/hard cost for specified assets has been submitted to the New Nominated Authority and the same is under consideration and a final compensation is yet to be decided. Various certification and details as sought by the New Nominated Authority in this connection have been submitted. The parent 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.

In the meantime, JSW Steel Limited (JSW) has been declared as successful bidder for Parbatpur Coal Block in 16th Tranche of Auction Under Coal Mines (Special Provisions) Act, 2015 and vesting order dated June 08, 2023 has been issued by the Ministry of Coal in favour of JSW. JSW is claiming that it has taken the physical possession of said coal block and has therefore requested to initiate negotiations for utilization of movable property/ assets used in coal mining. The parent has approached the Hon'ble Delhi High Court for various clarifications and reliefs and the matter is pending before them as on this date. The parent's management is actively pursuing to revise and determine the amount of entire compensation for the coal block including mine infrastructure and land and all other related assets in terms of Coal Mines (Special Provisions) Act, 2015 read with judgement dated March 09, 2017 pronounced by the Hon'ble High Court at Delhi and taking all necessary legal and other steps for the same.

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 has been 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. 2090.04 lakhs have been adjusted. Bank guarantee amounting to Rs. 920.00 has been given against the compensation received.

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



4.	<p>The Parent holds 197,96,000 equity shares of Rs. 10/- each in ESL Steel Limited (ESL) out of which 173,34,999 equity shares of Rs. 10/- each amounting to Rs. 5744.81 lakhs have been pledged with the consortium of lenders of ESL (lenders). The notices issued by the lenders for invocation of pledge of parent's investment was set aside by the Hon'ble High Court at Calcutta in the earlier year and the parent'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, 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 SARAFESI Notice and taken the symbolic possession of the said land against alleged claim in SARAFESI Notice in an earlier year. The parent 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 had filed an application before the Debt Recovery Tribunal (DRT), Chennai for setting aside the SARAFESI 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. On filing the appeal before the Debt Recovery Appellate Tribunal (DRAT) against the order of DRT, DRAT has directed the parent to deposit 50% of the SARAFESI 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 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 SARAFESI 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 which has been decided in the favour of the parent 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>
5.	<p>Pursuant to a settlement arrived in respect of parent's Joint Venture, Domco Private Limited (DPL) for carrying out mining of Coal at Jharkhand, Investment in Equity shares of DPL amounting to Rs. 30.00 lakhs and advance of Rs. 700.00 lakhs given to them being no longer recoverable have been written off during the previous quarter. Consequent to the said settlement Arbitration and other proceedings by or against the Parent have been withdrawn and DPL cease to be a Joint Venture of the Group. This, however, does not have any impact on the consolidated financial results of the current period since impairment in value thereof was provided in earlier years and the same consequent to the write off as above, has been written back and included under other income of the period ended September 30, 2023.</p>
6.	<p>The Shareholders in the Annual General Meeting held on September 11, 2023 has approved the final dividend of Re. 0.90 per equity share in respect of the financial year ended March 31, 2023 resulting in dividend outflow of Rs. 5351.45 lakhs.</p>
7.	<p>Previous periods' figures have been regrouped/rearranged wherever necessary.</p>

Kolkata
November 9, 2023



For ELECTROSTEEL CASTINGS LIMITED


Umang Kejriwal
Managing Director
(DIN: 000065173)