

Limited Review Report**The Board of Directors
Electrosteel Castings Limited**

1. We have reviewed the accompanying statement of unaudited Financial Results of Electrosteel Castings Limited ('the Company') for the quarter ended on 31st December 2014 ('the Results') except for the disclosures regarding 'Public Shareholdings' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors and the same has been initialed by us for the purpose of identification. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Attention is drawn to Note 4 of the accompanying results dealing with cancellation of coal blocks by the Order of Hon'ble Supreme Court of India and Ordinance issued by the Government of India for implementing the said Order. The amount of compensation in terms of the ordinance and otherwise considered recoverable as per said note due to the reasons stated therein, are presently not ascertainable and as such cannot be commented upon by us.
4. Based on our review conducted as above, we report that, excepting the possible effect of the matters stated in Para 3 above nothing has come to our attention that causes us to believe that the accompanying statement of the Results prepared in accordance with applicable Accounting Standards issued under the Companies (Accounting Standards) Rule, 2006 which continue to apply as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Kolkata
Date: 9th February 2015For Lodha & Co.
Chartered Accountants
Firm's ICAI Registration No.:301051E*R.P. Singh*R P Singh
Partner
Membership No.052438

ELECTROSTEEL CASTINGS LIMITED

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

Corporate Office:- G K Tower, 19, Camac Street, Kolkata - 700 017

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FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2014

(Rs. In lakhs)

PART I

Particulars	Quarter Ended			Year to date figure for nine month ended		Year Ended
	31.12.2014 (Unaudited)	30.09.2014 (Unaudited)	31.12.2013 (Unaudited)	31.12.2014 (Unaudited)	31.12.2013 (Unaudited)	31.03.2014 (Audited)
1. Income from operations						
(a) Net sales/income from operations (Net of excise duty)	59743.63	50993.57	49091.45	155008.06	150123.09	209512.37
(b) Other operating income	1328.55	2521.86	2180.69	5417.96	7066.94	9175.56
Total income from operations (net)	61072.18	53515.43	51272.14	160426.02	157190.03	218687.93
2. Expenses						
(a) Cost of materials consumed	24800.13	26223.47	22146.08	74890.28	67391.94	94732.02
(b) Purchases of stock-in-trade	1214.09	4509.41	1044.45	7685.02	14428.74	18257.30
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	8772.04	(4839.71)	428.67	(569.08)	(3094.98)	(2963.84)
(d) Employee benefits expense	3848.33	4243.20	3700.79	11879.77	11010.67	14876.05
(e) Depreciation and amortisation expense	1718.01	1819.50	1323.31	5196.83	3992.23	5296.71
(f) Power and fuel	4422.94	4431.71	3974.64	12978.15	11534.86	15815.26
(g) Stores and spares	3393.72	3652.23	3336.30	10508.38	9693.40	13017.62
(h) Other expenditure	7582.25	8265.80	7188.69	22413.48	25763.06	34448.23
Total expenses	55751.51	48305.61	43142.93	144982.83	140719.92	193479.35
3. Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	5320.67	5209.82	8129.21	15443.19	16470.11	25208.58
4. Other Income	1096.19	631.87	291.11	2663.07	1205.86	1970.10
5. Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	6416.86	5841.69	8420.32	18106.26	17675.97	27178.68
6. Finance costs	4089.87	4136.30	3606.26	11169.77	10594.59	13581.96
7. Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	2326.99	1705.39	4814.06	6936.49	7081.38	13596.72
8. Tax expense	751.01	427.49	1440.68	2106.21	1703.96	3540.88
9. Net Profit / (Loss) from ordinary activities after tax (7 - 8)	1575.98	1277.90	3373.38	4830.28	5377.42	10055.84
10. Paid-up equity share capital (Face value - Re. 1/-)	3569.55	3569.55	3438.17	3569.55	3438.17	3438.17
11. Reserves excluding revaluation reserve as per balance sheet of previous accounting year						184480.22
12. Earnings per share (EPS) for the period, before and after extraordinary items and for the previous year (not annualized):						
Basic (Rs.)	0.44	0.36	1.03	1.36	1.63	3.02
Diluted (Rs.)	0.44	0.36	1.03	1.36	1.63	3.02

PART II

Particulars	Quarter Ended			Year to date figure for nine month ended		Year Ended
	31.12.2014 (Unaudited)	30.09.2014 (Unaudited)	31.12.2013 (Unaudited)	31.12.2014 (Unaudited)	31.12.2013 (Unaudited)	31.03.2014 (Audited)
A PARTICULARS OF SHAREHOLDING						
1. Public shareholding						
- Number of shares	165625950	165317718	164965950	165625950	164965950	164965950
- Percentage of shareholding	46.40%	46.31%	47.98%	46.40%	47.98%	47.98%
2. Promoters and Promoter Group Shareholding						
a) Pledged / Encumbered						
- Number of shares	32675270	32675270	-	32675270	-	32675270
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	17.27%	17.27%	-	17.27%	-	18.56%
- Percentage of shares (as a % of the total share capital of the company)	9.15%	9.15%	-	9.15%	-	9.50%
b) Non - encumbered						
- Number of shares	156549102	156549102	176081372	156549102	176081372	143406102
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	82.73%	82.73%	100.00%	82.73%	100.00%	81.44%
- Percentage of shares (as a % of the total share capital of the company)	43.86%	43.86%	51.21%	43.86%	51.21%	41.71%



	Particulars	3 months ended 31 / 12 / 2014
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	6
	Disposed off during the quarter	6
	Remaining unresolved at the end of the quarter	Nil

Notes:

1. The above financial results , as reviewed by audit committee, were approved by the Board of Directors at their meeting held on February 9 , 2015. The above results 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. During the quarter ended December 31, 2014, the company has sold 720000 shares of its associate Singardo International Pte Ltd. Consequent to sale of such shares, Singardo International Pte Ltd has ceased to be an associate of the company.
4. a) In pursuance of The Hon'ble Supreme Court of India Order dated September 24, 2014 cancelling the coal blocks allotted in earlier years to various companies and Ordinance promulgated by The Government of India, Ministry of Law and Justice (Legislative Department) on October 21, 2014 ('the ordinance') for implementing the order of Supreme Court and fixation of compensation, etc. to the existing allottees, the Company's Parbatpur coal block and North Dhadhu coal block allotted to it jointly with other companies stood cancelled. The Company, in case of Parbatpur coal block has filed a claim for compensation of Rs.122071.00 lakhs (net) being the amount (including advances and other recoverables) incurred till March 31, 2014 in relation thereto.
Since, in terms of the Ordinance, the Company is allowed to continue its operation in mines till March 31, 2015, the Company's Parbatpur coal mine being under implementation, expenditure of Rs.5703.49 lakhs (net of sales, inventories etc during the period of implementation) so far incurred/ allocated subsequent to March 31, 2014 are being accounted for as CWIP and the Company is taking legal recourse for recovering the same upon handing over the mines pursuant to the above ordinance on March 31, 2015.
b) In case of North Dhadhu, the company's barring initial investments of Rs.822.81 lakhs, has not made any further investment since March 31, 2014 and the mine is yet to be made operational.
c) Pending finalization of the matter, amount recoverable as compensation against (a) and (b) above are presently not ascertainable and consequential adjustments in this respect will be given effect to in subsequent quarters on ascertainment of the amounts thereof.
5. Liability on account of additional levy of Rs. 295 per MT arising in terms of the said Ordinance against the coal extracted from the mining operation aggregating to Rs.3373.97 lakhs having impact of Rs.1252.40 lakhs on working results have been given effect to in these results.
6. During the quarter, depreciation has been provided as per Schedule II of the Companies Act, 2013 which has been made effective from 1st day of April 2014. Accordingly, carrying amount of the assets as on March 31, 2014 have been depreciated over the remaining useful life of the assets recomputed as above . Consequently , depreciation for the quarter and nine months period is higher by Rs. 504.94 lakhs and Rs.1332.91 lakhs respectively.
7. Previous period's figures have been regrouped/rearranged wherever necessary.

For ELECTROSTEEL CASTINGS LTD.


Umang Kejriwal

Managing Director

Kolkata
February 9, 2015

