

**ELECTROSTEEL CASTINGS LTD.**  
Regd. Office: Rathod Colony, Rajgangpur, Odisha  
Corporate Office: 19, Camac Street, Kolkata - 700 017

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2012**

| (Rs. in lakhs)                                                                                                                       |                           |                           |                           |                           |                           |                         |
|--------------------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| <b>PART I</b>                                                                                                                        |                           |                           |                           |                           |                           |                         |
| Particulars                                                                                                                          | Quarter ended             |                           |                           | Half year ended           |                           | Year ended              |
|                                                                                                                                      | 30.09.2012<br>(Unaudited) | 30.06.2012<br>(Unaudited) | 30.09.2011<br>(Unaudited) | 30.09.2012<br>(Unaudited) | 30.09.2011<br>(Unaudited) | 31.03.2012<br>(Audited) |
| <b>1. Income from operations</b>                                                                                                     |                           |                           |                           |                           |                           |                         |
| (a) Net sales/income from operations (Net of excise duty)                                                                            | 47906.08                  | 42817.59                  | 44144.58                  | 90723.67                  | 85974.28                  | 183435.46               |
| (b) Other operating income                                                                                                           | 1484.11                   | 1860.00                   | 1555.20                   | 3344.11                   | 2630.32                   | 8230.69                 |
| Total income from operations (net)                                                                                                   | 49390.19                  | 44677.59                  | 45699.78                  | 94067.78                  | 88604.60                  | 191666.15               |
| <b>2. Expenses</b>                                                                                                                   |                           |                           |                           |                           |                           |                         |
| (a) Cost of materials consumed                                                                                                       | 24791.10                  | 26528.56                  | 23765.38                  | 51319.66                  | 46003.59                  | 95419.81                |
| (b) Purchases of stock-in-trade                                                                                                      | 1512.72                   | 1233.69                   | 2569.86                   | 2746.41                   | 4199.61                   | 9733.67                 |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade                                                    | (807.11)                  | (4522.80)                 | (2177.89)                 | (5329.91)                 | (2880.97)                 | (468.62)                |
| (d) Employee benefits expense                                                                                                        | 3514.86                   | 3055.62                   | 3463.05                   | 6570.48                   | 6639.56                   | 12309.23                |
| (e) Depreciation and amortisation expense                                                                                            | 1350.34                   | 1357.43                   | 1353.48                   | 2707.77                   | 2712.88                   | 5426.03                 |
| (f) Power and fuel                                                                                                                   | 3801.75                   | 3519.19                   | 3298.65                   | 7320.94                   | 6452.25                   | 14211.58                |
| (g) Stores and spares                                                                                                                | 3000.16                   | 2952.40                   | 3058.60                   | 5952.56                   | 5669.00                   | 11660.68                |
| (h) Job charges                                                                                                                      | 175.23                    | 601.75                    | 489.26                    | 776.98                    | 901.16                    | 2047.21                 |
| (i) Other expenditure                                                                                                                | 5255.99                   | 10188.59                  | 6692.22                   | 15444.58                  | 11637.83                  | 36080.45                |
| Total expenses                                                                                                                       | 42595.04                  | 44914.43                  | 42512.61                  | 87509.47                  | 81334.91                  | 186420.04               |
| <b>3. Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)</b>                             | 6795.15                   | (236.84)                  | 3187.17                   | 6558.31                   | 7269.69                   | 5246.11                 |
| <b>4. Other Income</b>                                                                                                               | 201.67                    | 883.48                    | 1805.75                   | 1085.15                   | 2983.56                   | 7077.24                 |
| <b>5. Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)</b>                                | 6996.82                   | 646.64                    | 4992.92                   | 7643.46                   | 10253.25                  | 12323.35                |
| <b>6. Finance costs</b>                                                                                                              | 2585.44                   | 3307.51                   | 2955.52                   | 5892.95                   | 5196.42                   | 10064.79                |
| <b>7. Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)</b>                          | 4411.38                   | (2660.87)                 | 2037.40                   | 1750.51                   | 5056.83                   | 2258.56                 |
| <b>8. Tax expense</b>                                                                                                                | 707.78                    | (927.78)                  | 101.06                    | (220.00)                  | 330.61                    | (1979.72)               |
| <b>9. Net Profit / (Loss) from ordinary activities after tax (7 - 8)</b>                                                             | 3703.60                   | (1733.09)                 | 1936.34                   | 1970.51                   | 4726.22                   | 4238.28                 |
| <b>10. Paid-up equity share capital (Face value - Re. 1/-)</b>                                                                       | 3267.53                   | 3267.53                   | 3267.53                   | 3267.53                   | 3267.53                   | 3267.53                 |
| <b>11. Reserves excluding revaluation reserve as per balance sheet of previous accounting year</b>                                   |                           |                           |                           |                           |                           | 167034.91               |
| <b>12. Earnings per share (EPS) for the period, before and after extraordinary items and for the previous year (not annualized):</b> |                           |                           |                           |                           |                           |                         |
| Basic                                                                                                                                | 1.13                      | (0.53)                    | 0.59                      | 0.60                      | 1.45                      | 1.30                    |
| Diluted                                                                                                                              | 1.13                      | (0.53)                    | 0.59                      | 0.60                      | 1.45                      | 1.30                    |
| <b>13. Debt Service Coverage Ratio (DSCR)*</b>                                                                                       |                           |                           |                           | 1.80                      | 1.87                      | 2.03                    |
| <b>14. Interest Service Coverage Ratio (ISCR)**</b>                                                                                  |                           |                           |                           | 1.80                      | 2.58                      | 4.14                    |

\*DSCR = PBDIT / (Net Finance charges + Scheduled principal repayments (Excluding prepayments & repayments from sale of current investment) during the period)  
 \*\*ISCR = PBDIT/Net Finance charges  
 Net finance Charges: Interest Cost - Interest Income on Fixed Deposit - exchange loss related to interest cost

| <b>PART II</b>                                                                          |                           |                           |                           |                           |                           |                         |
|-----------------------------------------------------------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| Particulars                                                                             | Quarter ended             |                           |                           | Quarter ended             |                           | Year ended              |
|                                                                                         | 30.09.2012<br>(Unaudited) | 30.06.2012<br>(Unaudited) | 30.09.2012<br>(Unaudited) | 30.09.2012<br>(Unaudited) | 30.09.2011<br>(Unaudited) | 31.03.2012<br>(Audited) |
| <b>A PARTICULARS OF SHAREHOLDING</b>                                                    |                           |                           |                           |                           |                           |                         |
| <b>1. Public shareholding</b>                                                           |                           |                           |                           |                           |                           |                         |
| - Number of shares                                                                      | 165,319,284               | 165,393,784               | 165,622,526               | 165,319,284               | 165,635,526               | 165,568,138             |
| - Percentage of shareholding                                                            | 50.59%                    | 50.62%                    | 50.69%                    | 50.59%                    | 50.69%                    | 50.67%                  |
| <b>2. Promoters and Promoter Group Shareholding</b>                                     |                           |                           |                           |                           |                           |                         |
| a) Pledged / Encumbered                                                                 |                           |                           |                           |                           |                           |                         |
| -Number of Shares                                                                       | -                         | -                         | -                         | -                         | -                         | -                       |
| -Percentage of shares (as a % of the total shareholding of promoter and promoter group) | -                         | -                         | -                         | -                         | -                         | -                       |
| -Percentage of shares (as a % of the total share Capital of the Company)                | -                         | -                         | -                         | -                         | -                         | -                       |
| b) Non - encumbered                                                                     |                           |                           |                           |                           |                           |                         |
| Number of Shares                                                                        | 158,663,421               | 158,588,921               | 158,360,179               | 158,663,421               | 158,360,179               | 158,414,567             |
| Percentage of shares (as a % of the total shareholding of promoter & promoter group)    | 100.00%                   | 100.00%                   | 100.00%                   | 100.00%                   | 100.00%                   | 100.00%                 |
| Percentage of Shares (as a % of the total share capital of the company)                 | 48.56%                    | 48.53%                    | 48.46%                    | 48.56%                    | 48.46%                    | 48.48%                  |

|          | Particulars                                    | 3 months ended 30 / 09 / 2012 |
|----------|------------------------------------------------|-------------------------------|
| <b>B</b> | <b>INVESTOR COMPLAINTS</b>                     |                               |
|          | Pending at the beginning of the quarter        | Nil                           |
|          | Received during the quarter                    | 2                             |
|          | Disposed of during the quarter                 | 2                             |
|          | Remaining unresolved at the end of the quarter | Nil                           |

#### Standalone Statement of Assets and Liabilities

(Rs. In lakhs)

| Particulars                                | Standalone                |                         |
|--------------------------------------------|---------------------------|-------------------------|
|                                            | 30.09.2012<br>(Unaudited) | 31.03.2012<br>(Audited) |
| <b>EQUITY AND LIABILITIES</b>              |                           |                         |
| <b>Shareholders' funds</b>                 |                           |                         |
| (a) Share capital                          | 3267.53                   | 3267.53                 |
| (b) Reserves and surplus                   | 169005.42                 | 167034.91               |
| <b>Sub-total - Shareholders' funds</b>     | <b>172272.95</b>          | <b>170302.44</b>        |
| <b>Non-current liabilities</b>             |                           |                         |
| (a) Long-term borrowings                   | 97125.58                  | 85682.64                |
| (b) Deferred tax liabilities (net)         | 1650.25                   | 2080.61                 |
| (c) Other long-term liabilities            | 476.04                    | 412.40                  |
| (d) Long-term provisions                   | 1047.23                   | 1017.87                 |
| <b>Sub-total - Non-current liabilities</b> | <b>100299.10</b>          | <b>89193.52</b>         |
| <b>Current liabilities</b>                 |                           |                         |
| (a) Short-term borrowings                  | 83526.36                  | 67545.44                |
| (b) Trade payables                         | 18775.88                  | 33933.04                |
| (c) Other current liabilities              | 51015.34                  | 34761.87                |
| (d) Short-term provisions                  | 9964.98                   | 11398.67                |
| <b>Sub-total - Current liabilities</b>     | <b>163282.56</b>          | <b>147639.02</b>        |
| <b>TOTAL - EQUITY AND LIABILITIES</b>      | <b>435854.61</b>          | <b>407134.98</b>        |
| <b>ASSETS</b>                              |                           |                         |
| <b>Non-current assets</b>                  |                           |                         |
| (a) Fixed assets                           | 132594.90                 | 121128.97               |
| (b) Non-current investments                | 101945.88                 | 86565.27                |
| (c) Long-term loans and advances           | 7491.44                   | 7339.42                 |
| (d) Other non-current assets               | 1359.63                   | 1116.35                 |
| <b>Sub-total - Non-current assets</b>      | <b>243391.85</b>          | <b>216150.01</b>        |
| <b>Current assets</b>                      |                           |                         |
| (a) Current investments                    | 19397.36                  | 25306.85                |
| (b) Inventories                            | 52605.54                  | 55294.32                |
| (c) Trade receivables                      | 69681.31                  | 61920.21                |
| (d) Cash and Bank balances                 | 25344.15                  | 15646.92                |
| (e) Short-term loans and advances          | 18591.93                  | 23871.91                |
| (f) Other current assets                   | 6842.47                   | 8944.76                 |
| <b>Sub-total - Current assets</b>          | <b>192462.76</b>          | <b>190984.97</b>        |
| <b>TOTAL - ASSETS</b>                      | <b>435854.61</b>          | <b>407134.98</b>        |

#### Notes:

- The above financial results, as reviewed by audit committee, were approved and taken on record by the Board of Directors in their meeting held on October 11, 2012. The above results have been subjected to Limited Review by the Statutory Auditors.
- The Company operates mainly in one business segment viz. Pipes and all other activities revolve around the main business.
- As on September 30, 2012, the Company had inter-alia outstanding forward exchange contracts, (other than those covered under AS-11 on "The Effects of Changes in Foreign Exchange Rates") and other derivative contracts. The Mark - to -Market (MTM) losses on such forward contract as on September 30, 2012 stood at Rs. 5291.48 lakhs (June 30, 2012 Rs.9365.94 lakhs). Such losses being notional, the actual gain or loss in this respect being finally ascertainable only on culmination of respective contracts and will be given effect to at the end of the year. However, no further provision in this regard is necessary as Rs. 6861.35 lakhs has already been provided for in earlier year, and continued to be kept in these accounts.
- Based on clarification issued by Ministry of Corporate Affairs vide its circular 25/2012/09.08.12 on Para 46A of notification number G.S.R.914(E) dated 29.12.2011 on Accounting Standard 11 relating to "The Effects of Changes in Foreign Exchange Rates", Rs.534.05 lakhs and Rs.687.06 lakhs charged to Profit and Loss in the previous year and quarter ending as on 30.06.2012 respectively has been written back under respective heads of account in this quarter and adjusted to the cost of Fixed assets / Capital work in progress with corresponding effect on the above results.
- Electrosteel Castings Gulf FZE was incorporated as a wholly owned subsidiary of the Company during the quarter.
- Previous period's figures have been regrouped/rearranged wherever necessary.

For ELECTROSTEEL CASTINGS LTD.

Umang Kejriwal

Managing Director

Kolkata  
October 11, 2012