



Head Office:
GK Tower, 2nd & 3rd floor,
19, Camac Street, Kolkata – 700017
West Bengal, India
Board Number: + 91-33-7103 4400
Fax No: + 91-33-2290 2882
CIN: L27310JH2006PLC012663

Sec/Share/16-17/64

Date: 8th December 2016

BY ONLINE FILING

The Secretary,
Bombay Stock Exchange Limited,
New Trading Wing,
Rotunda Building,
P J Tower, Dalal Street,
Mumbai-400 001

The Manager,
National Stock Exchange of India Limited,
Exchange Plaza, C-1, Block "G",
5th floor, Bandra Kurla Complex,
Bandra East,
Mumbai-400 051

Sir

For the quarter and half year ended 30th September 2016
& Outcome of Board Meeting

Please note that the Board of Directors of the Company in its meeting held today has inter-alia,

- (a) Considered, approved and taken on record the Un-audited Financial Results of the Company for the quarter and half year ended 30th September 2016, which have been duly reviewed by the Statutory Auditors of the Company. The copies of Un-audited Financial Results along with the Limited Review Report of the Statutory Auditors are enclosed for your reference and records.
- (b) Approved appointment of Mr. Devaprasad Mozumder, as Nominee Director for the Lenders of the Company with effect from 8th December 2016. Mr. Mozumder is not related to any Director of the Company. A brief profile of Mr. Mozumder is also enclosed.
- (c) Approved appointment of Ms Jayantika Ganguly as an Additional Independent Woman Director with effect from 8th December 2016, to hold office upto the date of the ensuing Annual General Meeting (AGM) of the Company. Ms Ganguly's appointment as an Independent Director is subject to approval of the shareholders and the term of office

Regd Office : 801, Uma Shanti Apartments, Kanke Road, Ranchi-834 008, Jharkhand, India Tel: 0651 2285636
www.electrosteelsteels.com





Head Office:
GK Tower, 2nd & 3rd floor,
19, Camac Street, Kolkata – 700017
West Bengal, India
Board Number: + 91-33-7103 4400
Fax No: + 91-33-2290 2882
CIN: L27310JH2006PLC012663

shall be decided by the shareholders in the ensuing AGM. Ms Ganguly is not related to any Director of the Company. A brief profile of Ms. Ganguly is also enclosed.

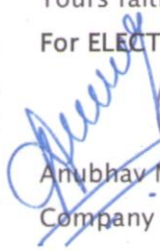
The meeting commenced at 2.30 p.m. and concluded at 5.00 p.m.

Please treat this as compliance with Regulations 30 and 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you,

Yours faithfully,

For ELECTROSTEEL STEELS LIMITED


Anubhav Maheshwari
Company Secretary

Encl: a/a



Registered Office : 801 Uma Shanti Apartments, Kanke Road, Ranchi - 834008, Jharkhand
Head Office : G.K.Tower, 2nd & 3rd Floor, 19 Camac Street, Kolkata - 700 017, West Bengal
CIN - L27310JH2006PLC012663, Tel and fax 0651-2285636, Website: www.electrosteelsteels.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2016

₹ in lakhs except,
per share data

PART I

Particulars	3 months ended (30th September 2016)	3 months ended (30th June 2016)	3 months ended (30th September 2015)	6 months ended (30th September 2016)	6 months ended (30th September 2015)
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1 Income from Operations					
Net sales/income from operations	60,535.43	85,780.50	64,131.84	1,46,315.93	1,22,055.99
Less: Excise Duty	4,842.81	7,407.30	6,976.13	12,250.11	13,391.49
(a) Net sales/income from operations (Net of excise duty)	55,692.62	78,373.20	57,155.71	1,34,065.82	1,08,664.50
(b) Other Operating Income	2,599.91	2,141.55	2,239.07	4,741.46	3,633.93
Total income from operations (net)	58,292.53	80,514.75	59,394.78	1,38,807.28	1,12,298.43
2 Expenses					
(a) Cost of materials consumed	38,769.02	43,631.81	43,090.35	82,400.83	92,022.55
(b) Purchase of stock-in trade	-	-	61.36	-	494.77
(c) Changes in inventories of finished goods, work-in-progress and stock in trade	2,319.18	4,051.34	1,538.38	6,370.52	(9,303.94)
(d) Employee benefits expense	3,698.18	2,660.08	1,829.89	6,358.26	3,550.76
(e) Depreciation and amortisation expense	12,081.21	12,078.82	5,068.14	24,160.03	10,074.32
(f) Other Expenses (Any item exceeding 10% of total expenses relating to continuing operations to be shown separately)	20,811.52	21,210.10	14,866.32	42,021.62	29,935.42
Total expenses	77,679.11	83,632.15	66,454.44	1,61,311.26	1,26,773.88
3 Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(19,386.58)	(3,117.40)	(7,059.66)	(22,503.98)	(14,475.45)
4 Other Income	3,235.83	358.34	170.10	3,594.18	501.78
5 Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 ± 4)	(16,150.75)	(2,759.06)	(6,889.56)	(18,909.80)	(13,973.67)
6 Finance Costs	32,438.16	24,325.53	13,467.43	56,763.69	26,137.76
7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 ± 6)	(48,588.91)	(27,084.59)	(20,356.99)	(75,673.49)	(40,111.43)
8 Exceptional Items	-	-	-	-	-
9 Profit / (Loss) from ordinary activities before tax (7 + 8)	(48,588.91)	(27,084.59)	(20,356.99)	(75,673.49)	(40,111.43)
10 Tax expense	-	-	-	-	-
11 Net Profit / (Loss) from ordinary activities after tax (9 + 10)	(48,588.91)	(27,084.59)	(20,356.99)	(75,673.49)	(40,111.43)
12 Extraordinary items (net of tax expense)	-	-	-	-	-
13 Net Profit / (Loss) for the period (11 + 12)	(48,588.91)	(27,084.59)	(20,356.99)	(75,673.49)	(40,111.43)
14 Other Comprehensive Income after Tax	(11.58)	(9.84)	(4.97)	(21.42)	(9.93)
15 Total Comprehensive Income after Tax (13 + 14)	(48,600.49)	(27,094.43)	(20,361.96)	(75,694.91)	(40,121.36)
16 Paid up equity share capital (Face Value of ₹/- each)	2,40,923.50	2,40,923.50	2,40,923.50	2,40,923.50	2,40,923.50
17.i Earnings Per Share (before extraordinary items) (of ₹ 10/- each) (not annualised):					
(a) Basic	(2.02)	(1.12)	(0.84)	(3.14)	(1.66)
(b) Diluted	(2.02)	(1.12)	(0.84)	(3.14)	(1.66)
17.ii Earnings Per Share (after extraordinary items) (of ₹ 10/- each) (not annualised):					
(a) Basic	(2.02)	(1.12)	(0.84)	(3.14)	(1.66)
(b) Diluted	(2.02)	(1.12)	(0.84)	(3.14)	(1.66)



STATEMENT OF UNAUDITED ASSETS & LIABILITIES

₹ in lakhs

Particulars	As at September 30, 2016
ASSETS	
(1) Non-Current Assets	
(a) Property, plant and equipment	9,97,128.79
(b) Capital work in progress	1,79,854.90
(c) Financial Assets	
(i) Other Financial Assets	773.38
(d) Other non-current assets	8,477.88
Total Non-Current Assets	11,86,234.95
(2) Current Assets	
(a) Inventories	84,720.07
(b) Financial Assets	
(i) Trade and other receivables	14,128.44
(ii) Cash and cash equivalents	13,086.31
(iii) Others	1,086.58
(c) Current Tax Assets (Net)	349.18
(d) Other current assets	13,371.49
Total Current Assets	1,26,742.07
Total Assets	13,12,977.02
EQUITY AND LIABILITIES	
Equity	
(a) Equity Share Capital	2,40,923.50
(b) Other Equity	(2,40,614.51)
Total Equity	308.99
Liabilities	
(1) Non-Current Liabilities	
(a) Financial liabilities	
(i) Borrowings	7,67,075.62
(ii) Other financial liabilities	35.40
(b) Long-term provisions	594.38
Total Non-Current Liabilities	7,67,705.40
(2) Current Liabilities	
(a) Financial Liabilities	
(i) Short term borrowings	72,691.44
(ii) Trade payables	35,776.78
(iii) Other financial liabilities	4,06,428.93
(b) Other current liabilities	29,855.67
(c) Short-term provisions	209.81
Total Current Liabilities	5,44,962.63
Total Liabilities	13,12,668.03
Total Equity and Liabilities	13,12,977.02

NOTES

- The Company's Integrated Steel & DI Pipe Plant is in the State of Jharkhand, India. A part of plant facility is still under construction & erection and the expenditure related thereto continues to be accounted as 'Project Development Expenditure' pending capitalisation.
- In view of the Company incurring losses continuously & current liabilities exceeding the current assets, there has been an erosion of net worth by more than fifty percent. Due compliance of the sanctioned CDR package could also not be met with. The lenders have since invoked the 'Strategic Debt Restructuring' (SDR) pursuant to RBI Circulars dated June 08, 2015 and Sept 24, 2015, and the implementation thereof is under progress. Considering the above developments the company has presented these financial statements on going concern basis.
- The format for Unaudited Quarterly Results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated 30th November, 2015 has been modified to comply with requirements of SEBI's Circular dated 5th July, 2016, Indian Accounting Standards (IND-AS) and Schedule III (Division II) to the Companies Act, 2013 applicable to the companies which are preparing the financial statements as per IND-AS.
- These Financial Results have been prepared in accordance with the IND-AS notified under Companies (Indian Accounting Standards) Rules 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules 2016. IND-AS has been made applicable with effect from April 1, 2016 and the comparative figures for the corresponding quarter of the previous year (transition date being April 1, 2015) have accordingly been restated. The results may require adjustments before constituting the final Ind AS financial statements as of and for the year ending 31st March 2017 due to changes in financial reporting requirements arising from new or revised standards or Interpretations issued by the Ministry of Corporate Affairs or changes in the use of one or more optional exemptions from full retrospective application of certain Ind AS permitted under Ind AS-101.
- The IND AS complied corresponding figures of the corresponding quarter of the previous year have not been subjected to a limited review or audit. However, the management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.
- There being no reportable segment (business or geographical) as per the last audited accounts, the same has been continued in this quarter. Necessary review in this respect will be made at the year end and segment disclosure, if any, required will then accordingly be done.
- Reconciliation between financial results, as previously reported (referred to as "Previous GAAP") and IND-AS for the quarter and half year ended 30th September, 2015 are presented as under:

₹ in lakhs (Refer Note No.: 4)

Particulars	3 months ended (30th September 2015)	6 months ended (30th September 2015)
Net Profit/ (Loss) under Previous GAAP	(20,149.19)	(38,929.09)
Finance Costs as per Effective Interest Rate method	(32.58)	(65.16)
Effect of fair valuation of financial assets	13.68	27.37
Effect of fair valuation of forward/ derivative contracts	(193.89)	(1,154.48)
Others	4.99	9.93
Net Profit/ (Loss) for the period under IND-AS	(20,356.99)	(40,111.43)
Other Comprehensive Income (net of taxes)		
Actuarial gain/ (loss) on employees defined benefit	(4.97)	(9.93)
Total Comprehensive Income under IND-AS	(20,361.96)	(40,121.36)

- Previous quarters / year figures have been reclassified wherever appropriate to confirm to current year's presentation.
- The above audited results were reviewed by the Audit Committee and thereafter approved by the Board of Directors at its meeting held on 8th December 2016.

Place : Kolkata

Date: 8th December 2016

Rama Shankar Singh
Whole Time Director
DIN: 02093276



To the Board of Directors of M/s ELECTROSTEEL STEELS LIMITED

1. We have reviewed the accompanying statement of unaudited financial results of M/s ELECTROSTEEL STEELS LIMITED ('the Company') for the half year and quarter ended September 30, 2016 ('the Statement'), being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the corresponding half year and quarter ended September 30, 2015 and the reconciliation of profit/ loss under Ind AS of the corresponding half year and quarter with profit/ loss reported under previous GAAP, as reported in these financial results have been approved by company's Board of Directors but have not been subjected to review by us.

This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

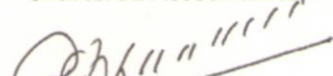
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review 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 provide 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 the Note '2' of the accompanying results, stating thereto the matter of erosion of net worth for more than fifty percent, the Company incurring losses continuously & current liabilities exceeding the current assets, and that of non due compliance of CDR package & the implementation of 'Strategic Debt Restructuring' (SDR) being in progress. Considering these, the Company has presented these financial statements on 'going concern basis'.
4. Based on our review conducted as above, we report that, except for the possible effect of the matter stated in para '3' above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder or by the Institute of Chartered Accountants of India and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5th July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Kolkata

December, 8th, 2016



B Chhawchharia & Co.
Firm Registration No.: 305123E
Chartered Accountants


Sushil Kumar Chhawchharia
Partner
Membership No. 008482

**BRIEF PROFILE OF MR DEVAPRASAD MOZUMDER, NOMINEE DIRECTOR FOR LENDERS
OF THE COMPANY**

Mr. Devaprasad Mozumder last served as Chief General Manager of State Bank of India (SBI) heading SBI's Medium and Small Enterprises Business Unit. He was with SBI since 1976. During his years in SBI, he has worked in a range of assignments both in India and abroad. In India he has worked in various business viz. Retail, Commercial, Merchant Banking as well as infrastructure Project Finance. The other critical positions held by him in SBI include General Manager of branch Networks in New Delhi and Jharkhand, Deputy General Manager of Mid Corporate Group for Orissa and Vice President for Loans and Investments in Ozaka, Japan. In SBI, Mr. Mozumder had been an integral part of the teams laying down credit policy and procedure and strategies of credit risk management. He is a Physics graduate from Calcutta University and was among all-India top ten rank holders in National Science Talent Search. He has completed programmes on Risk Management techniques at New York Institute of Finance (a Financial Times company) on Strategy Planning at Darden School of Business, University of Virginia and on Corporate Debt Restructuring at World Bank. He is currently involved in running a Kumon after school learning centre in Pune.




BRIEF PROFILE OF MS JAYANTIKA GANGULY, INDEPENDENT DIRECTOR

Ms. Jayantika Ganguly is a lawyer associated with Khaitan & Co, LLP and has an experience of over eight years in corporate laws. She specializes in banking, project finance and corporate transactions and has handled assignments in varied sectors such as roads, oil and gas, energy, infrastructure and aviation across multiple jurisdictions. She is an alumnus of the West Bengal National University of Juridical Sciences also a member of its Industry-Academia Panel.

