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West Bengal, India
Board Number: + 91-33-7103 4400
Fax No: + 91-33-2290 2882
CIN: L27310JH2006PLC012663

Sec/Share/21

13th November 2014

BY FAX/COURIER/EMAIL

The Secretary,
Bombay Stock Exchange Limited,
New Trading Wing,
Rotunda Building,
P J Tower, Dalal Street,
Mumbai-400001

The Manager,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block "G",
5th floor, Bandra Kurla Complex,
Bandra East,
Mumbai-400051

Dear Sir
Outcome of Board Meeting

Please note that the Board of Directors of the Company in its meeting held today have inter-alia, considered and approved the following:

- (a) Un-audited Financial Results of the Company for the quarter and half year ended 30th September 2014, which have duly reviewed by Statutory Auditors of the Company and copies thereof are enclosed.
- (b) Preferential Allotment of 52.30 lakhs Equity Shares of Rs 10 each aggregating to Rs 5.23 crores to Electrosteel Castings Limited, Promoter Company, under Corporate Debt Restructuring (CDR) Scheme, subject to approval of the shareholders of the Company and such other approvals as may be required in connection thereof.
- (c) Payment of remuneration to Mr Rama Shankar Singh, Whole Time Director of the Company, subject to approval of the shareholders of the Company and such other approvals as may required in connection thereof

Please treat this as compliance with Clauses 36 and 41 of the Listing Agreement.

Thanking you
Yours faithfully
For Electrosteel Steels Limited

(Anubhav Maheshwari)
Company Secretary

Encl: a/a

Regd Office : 801, Uma Shanti Apartments, Kanke Road, Ranchi-834 008, Jharkhand, India Tel: 0651 223 1636
www.electrosteelsteels.com

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 0651-2231636, Website: www.electrosteelsteels.com

Unaudited Financial Results for the Quarter and Half Year ended September 30, 2014

PART I

(Rs in lacs)

Particulars	Three months ended			Six months ended		Year ended
	30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income from Operations						
(a) Net sales/income from operations (Net of excise duty)	43,234.13	32,854.45	16,615.89	76,088.58	28,598.19	46,929.98
(b) Other Operating Income	1,562.38	1,558.53	1,125.33	3,120.91	2,452.64	4,392.21
Total income from operations (net)	44,796.51	34,412.98	17,741.22	79,209.49	31,050.83	51,322.19
2 Expenses						
(a) Cost of materials consumed	35,178.79	27,310.91	13,349.76	62,489.70	25,704.80	46,868.77
(b) Purchase of trading goods (coal)	453.41	1,170.54		1,623.95		
(c) Purchases of stock-in trade						
(d) Changes in inventories of finished goods, work-in-progress and stock in trade	(8,146.67)	(3,844.25)	1,258.25	(11,990.92)	268.85	(4,798.13)
(e) Employee benefits expense	1,048.87	927.89	259.43	1,976.76	515.11	1,394.73
(f) Depreciation and Ammortisation Expenses	5,080.05	5,020.43	1,491.37	10,100.48	3,194.10	6,764.31
(g) Other Expenses (Any item exceeding 10% of total expenses relating to continuing operations to be shown separately)	10,295.86	8,176.93	2,860.53	18,472.79	5,276.94	13,165.67
Total expenses	43,910.31	38,762.45	19,219.34	82,672.76	34,959.80	63,395.35
3 Profit/ (Loss) from operations before other income, finance costs, and exceptional items (1-2)	886.20	(4,349.47)	(1,478.12)	(3,463.27)	(3,908.97)	(12,073.16)
4 Other Income	749.92	218.96	0.92	968.88	44.20	692.57
5 Profit/ (Loss) from ordinary activities before finance costs, and exceptional items (3+4)	1,636.12	(4,130.51)	(1,477.20)	(2,494.39)	(3,864.77)	(11,380.59)
6 Finance Costs	11,506.83	10,407.26	3,838.00	21,914.09	8,523.98	17,731.41
7 Profit/ (Loss) from ordinary activities after finance cost but before exceptional items (5-6)	(9,870.71)	(14,537.77)	(5,315.20)	(24,408.48)	(12,388.75)	(29,112.00)
8 Exceptional items	-	-	-	-	-	-
9 Profit/ (Loss) from ordinary activities before tax (7+8)	(9,870.71)	(14,537.77)	(5,315.20)	(24,408.48)	(12,388.75)	(29,112.00)
10 Tax expenses	-	-	-	-	-	1.17
11 Net Profit / (Loss) from ordinary activities after tax (9-10)	(9,870.71)	(14,537.77)	(5,315.20)	(24,408.48)	(12,388.75)	(29,113.17)
12 Extraordinary item (net of tax expense)	-	-	-	-	-	-
13 Net Profit / (Loss) for the period (11-12)	(9,870.71)	(14,537.77)	(5,315.20)	(24,408.48)	(12,388.75)	(29,113.17)
14 Share of profit/ (loss) of associates	NA	NA	NA	NA	NA	NA
15 Minority Interest	NA	NA	NA	NA	NA	NA
16 Net Profit/ (Loss) after taxes, minority interest and share of profit/(loss) of associates (13+14+15)	(9,870.71)	(14,537.77)	(5,315.20)	(24,408.48)	(12,388.75)	(29,113.17)
17 Paid up equity share capital (Face Value of Rs10/- each)	2,40,923.50	2,18,673.50	2,18,673.50	2,40,923.50	2,18,673.50	2,18,673.50
18 Reserve excluding Revaluation Reserve as per Balance Sheet of previous accounting year	-	-	-	-	-	68,716.30
19.i Earnings per share (before extraordinary items) of Rs.10/- each (not annualised):						
(a) Basic	(0.41)	(0.66)	(0.24)	(1.01)	(0.57)	(1.33)
(b) Diluted	(0.41)	(0.66)	(0.24)	(1.01)	(0.57)	(1.33)
19.ii Earnings per share (after extraordinary items) of Rs 10/- each (not annualised)						
(a) Basic	(0.41)	(0.66)	(0.24)	(1.01)	(0.57)	(1.33)
(b) Diluted	(0.41)	(0.66)	(0.24)	(1.01)	(0.57)	(1.33)

PART II

A PARTICULARS OF SHAREHOLDING						
1 Public Shareholding						
- Number of shares	1,31,94,35,023	1,31,94,35,023	1,31,94,35,023	1,31,94,35,023	1,31,99,85,023	1,31,94,35,023
- Percentage of shareholding	54.77%	60.34%	60.34%	54.77%	60.36%	60.34%
2 Promoters and Promoter group shareholding						
a) Pledged / Encumbered						
- Number of shares	86,67,50,000	86,67,50,000	86,67,50,000	86,67,50,000	86,67,50,000	86,67,50,000
- Percentage of shares (as a % of the total shareholding of Promoter & Promoter group)	79.53%	99.94%	100.00%	79.53%	100.00%	99.94%
- Percentage of shares (as a % of the total Share Capital of the Company)	35.98%	39.64%	39.64%	35.98%	39.64%	39.64%
b) Non Encumbered						
- Number of shares	22,30,50,000	5,50,000	-	22,30,50,000	-	5,50,000
- Percentage of shares (as a % of the total shareholding of Promoter & Promoter group)	20.47%	0.06%	-	20.47%	-	0.06%
- Percentage of shares (as a % of the total Share Capital of the Company)	9.26%	0.02%	-	9.26%	-	0.02%



B INVESTOR COMPLAINTS	Three months ended 30.09.2014
Pending at the beginning of the quarter	Nil
Received during the quarter	30
Disposed off during the quarter	30
Remaining unresolved at the end of the quarter	Nil

Statement of Assets and Liabilities

Particulars	As at current half year ended 30.09.2014	As at previous year ended 31.03.2014
A EQUITY AND LIABILITIES		
1 Shareholders Funds		
a) Share Capital	2,40,923.50	2,18,673.50
b) Reserves & Surplus	(93,643.82)	(68,716.30)
c) Money received against share warrants	-	-
Sub Total- Shareholders funds	1,47,279.68	1,49,957.20
2 Share application money pending allotment	-	-
3 Minority Interest *	N.A.	N.A.
4 Non-current liabilities		
(a) Long term borrowings	8,86,121.38	8,32,761.18
(b) Other long term liabilities	69.47	69.47
(c) Long term provisions	297.64	278.88
Sub Total- Non Current Liabilities	8,86,488.49	8,33,109.53
5 Current liabilities		
(a) Short term borrowings	23,444.30	1,458.58
(b) Trade Payables	43,269.39	27,064.11
(c) Other current liabilities	1,02,539.13	1,28,432.83
(d) Short term provisions	82.88	82.88
Sub Total- Current Liabilities	1,69,335.70	1,57,038.40
TOTAL- EQUITY AND LIABILITIES	12,03,103.87	11,40,105.13
B ASSETS		
1 Non current assets		
(a) Fixed assets		
i) Tangible Assets	4,74,664.44	3,72,793.66
ii) Intangible Assets	62.71	517.88
iii) Capital Work-In-Progress	6,16,335.94	6,75,970.70
(b) Long term loans and advances	14,812.31	10,464.99
Sub-Total- Non current assets	11,05,875.40	10,59,747.23
2 Current assets		
a) Current Investments	-	17,621.70
b) Inventories	48,250.33	36,617.49
c) Trade Receivables	10,979.96	2,202.20
d) Cash and cash equivalents	5,787.03	6,917.57
(e) Short term loans and advances	31,865.99	16,785.68
(f) Other current assets	345.16	213.26
Sub-Total- current assets	97,228.47	80,357.90
TOTAL ASSETS	12,03,103.87	11,40,105.13

NOTES

- The Company's Integrated Steel & DI Pipe Plant in the State of Jharkhand, India, is under construction & erection. A part of plant facility has commenced production and accordingly the balance proportionate expenditure related to the plant under construction & erection continues to be accounted as 'Project Development Expenditure' pending capitalization under 'Capital Work-in-Progress'.
- The Company has during the half year capitalised part of the plant facility. Accordingly the Pre-Operative Expenses incurred upto the date of capitalisation have been allocated to the cost of the facility on a proportionate basis.
- Pursuant to the Companies Act, 2013 ("the Act") becoming effective from 01st April 2014, the Company has recomputed the depreciation based on the useful life of the assets as prescribed in Schedule II of the Act. The depreciation charged for the six months ended 30th September 2014 is lower by Rs 1,218.85 Lacs. Further, in accordance with the transitional provisions of Schedule II, the Company has adjusted Rs. 519.03 Lacs in the opening balance of retained earnings for those assets where the remaining useful life is Nil as on 01st April 2014.
- Considering the nature of the Company's business and operations, there are no separate reportable segments (business and/ or geographical) in accordance with the requirements of Accounting Standard 17 'Segment Reporting', issued by ICAI.
- Previous quarters / year figures have been reclassified wherever appropriate to confirm to current year's presentation.
- During the quarter ended 30th September 2014, pursuant to the Corporate Debt Restructuring (CDR) Scheme, the Company had made preferential allotment of 22.25 crores equity shares of Rs 10 each fully paid to Electrosteel Castings Limited under SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009 and Companies Act 2013. The proceeds of the issue have been utilised for the capital expenditure at the Plant, which is in line with CDR Scheme.
- The above unaudited results were reviewed by the Audit Committee and thereafter approved by the Board of Directors at its meeting held on 13th November, 2014. The Statutory Auditors have conducted the "Limited Review" of the Financial Results.

Place : Kolkata
Date : 13th November, 2014

By order of the Board

R S Singh
(Wholetime Director)
DIN: 02093276

Review Report to M/s ELECTROSTEEL STEELS LIMITED

We have reviewed the accompanying statement of unaudited financial results of M/s ELECTROSTEEL STEELS LIMITED for the quarter and half year ended September 30, 2014 except for the disclosures regarding 'Public Shareholding' 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. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review 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 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.

We draw attention to Note 3 of the unaudited financial results for the quarter and half year ended 30th September 2014, whereby the Company has recomputed the depreciation in accordance with the requirements of Schedule II of the Companies Act, 2013, resulting in under charge of depreciation by Rs. 1,218.85 lacs for the said half year ended 30th September 2014.

We draw attention to Note 5 of the unaudited financial results for the quarter and half year ended 30th September 2014, whereby pursuant to the Corporate Debt Restructuring (CDR) Scheme, the Company had made preferential allotment of 22.25 crores equity shares of Rs. 10 each fully paid to Electrosteel Castings Limited under SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009 and Companies Act 2013.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies 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.

Kolkata
13th November, 2014



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

Kshitiz Chhawchharia
Partner

Membership No. 061087
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