ELECTROSTEEL STEELS LIMITED

Head Office:
G K Tower, 2nd & 3rd floor,
19, Camac Street, Kolkata - 700017
West Bengal, India
Board Number: +91-33-4009 0600,
Fax No: +91-33-2290 2882

Date: November 14, 2013

1) To,
The Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

2) To,
The National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051

Sub: Outcome of the Meeting of the Board of Directors of Electrosteel Steels Limited held on November 14, 2013.

Dear Sir/ Madam,

Enclosed, please find herewith the unaudited financial results of the Company and the Limited Review report from the Statutory Auditors for the quarter ended 30.09.2013 duly reviewed and approved by the Board of Directors in its meeting held on November 14, 2013.

Thanking You,

For Electrosteel Steels Limited

Vikash Kumar Agarwal
Company Secretary

Enclosed as above

ELECTROSTEEL STEELS LIMITED

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

Unaudited Financial Results for the Quarter and Half year ended September 30, 2013

PART I

(Rs in lacs)

	Particulars	Three months ended			Six months ended		Year ended
		30.09.2013	30.06.2013	30.09.2012	30.09.2013	30.09.2012	31.03.2013
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	**Income from Operations**						
	(a) Net sales/income from operations (Net of excise duty)	16,615.89	11,982.30	29.16	28,598.19	1,226.84	14,008.81
	(b) Other Operating Income	1,125.33	1,327.31	5.57	2,452.64	96.05	2,302.20
	Total income from operations (net)	17,741.22	13,309.61	34.73	31,050.83	1,322.89	16,311.01
2	**Expenses**						
	(a) Cost of materials consumed	13,349.76	12,355.04	81.26	25,704.80	866.37	18,886.50
	(b) Purchases of stock-in trade						
	(c) Changes in inventories of finished goods,work-in-progress and stock in trade	1,259.25	(989.40)	0.97	268.85	937.36	(799.32)
	(d) Employee benefits expense	259.43	255.68	160.83	515.11	337.28	1,004.72
	(e) Depreciation and Ammortisation Expenses	1,491.37	1,702.73	1,387.56	3,194.10	2,720.32	5,906.87
	(f) Other Expenses (Any item exceeding 10% of total expenses relating to continuing operations to be shown separately)	3,032.31	2,850.56	1,169.86	5,882.87	1,736.28	5,734.83
	Total expenses	19,391.12	15,974.61	2,780.48	35,365.73	6,397.61	30,733.60
3	**Profit/ (Loss) from operations before other income, finance costs,and exceptional items (1-2)**	**(1,649.90)**	**(2,665.00)**	**(2,745.75)**	**(4,314.90)**	**(5,074.72)**	**(14,422.59)**
4	Other Income	0.92	43.28	3.66	44.20	11.57	93.39
5	**Profit/ (Loss) from ordinary activities before finance costs,and exceptional items (3+4)**	**(1,648.98)**	**(2,621.72)**	**(2,742.09)**	**(4,270.70)**	**(5,063.15)**	**(14,329.20)**
6	Finance Costs	3,666.22	4,451.83	2,051.72	8,118.05	4,351.08	13,441.11
7	**Profit/ (Loss) from ordinary activities after finance cost but before exceptional items (5-6)**	**(5,315.20)**	**(7,073.55)**	**(4,793.81)**	**(12,388.75)**	**(9,414.23)**	**(27,770.31)**
8	Exceptional items	-	-	-	-	-	229.52
9	**Profit/ (Loss) from ordinary activities before tax (7+8)**	**(5,315.20)**	**(7,073.55)**	**(4,793.81)**	**(12,388.75)**	**(9,414.23)**	**(27,999.83)**
10	Tax expenses	-	-	1.70	-	1.70	1.42
11	**Net Profit / (Loss) from ordinary activities after tax (9-10)**	**(5,315.20)**	**(7,073.55)**	**(4,795.51)**	**(12,388.75)**	**(9,415.93)**	**(28,001.25)**
12	Extraordinary item (net of tax expense)	-	-	-	-	-	-
13	**Net Profit / (Loss) for the period (11-12)**	**(5,315.20)**	**(7,073.55)**	**(4,795.51)**	**(12,388.75)**	**(9,415.93)**	**(28,001.25)**
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)**	**(5,315.20)**	**(7,073.55)**	**(4,795.51)**	**(12,388.75)**	**(9,415.93)**	**(28,001.25)**
17	Paid up equity share capital (Face Value of Rs10/- each)	2,18,673.50	2,18,673.50	2,18,673.50	2,18,673.50	2,18,673.50	2,18,673.50
18	Reserve excluding Revaluation Reserve as per Balance Sheet of previous accounting year						(39,603.13)
19.i	Earnings per share (before extraordinary items) of Rs.10/- each) (not annualised):						
	(a) Basic	(0.24)	(0.33)	(0.22)	(0.57)	(0.43)	(1.32)
	(b) Diluted	(0.24)	(0.33)	(0.22)	(0.57)	(0.43)	(1.32)
19ii	Earnings per share (after extraordinary items) of Rs 10/- each) (not annualised)						
	(a) Basic	(0.24)	(0.33)	(0.22)	(0.57)	(0.43)	(1.32)
	(b) Diluted	(0.24)	(0.33)	(0.22)	(0.57)	(0.43)	(1.32)

PART II

A	**PARTICULARS OF SHAREHOLDING**						
1	Public Shareholding						
	- Number of shares	1,31,99,85,023	1,31,99,85,023	1,32,67,35,023	1,31,99,85,023	1,32,67,35,023	1,31,99,85,023
	- Percentage of shareholding	60.36%	60.36%	60.67%	60.36%	60.67%	60.36%
2	Promoters and Promoter group shareholding						
	a) Pledged / Encumbered						
	- Number of shares	86,67,50,000	50,00,00,000	50,00,00,000	86,67,50,000	50,00,00,000	50,00,00,000
	- Percentage of shares (as a % of the total shareholding of Promoter & Promoter group)	100.00%	57.69%	58.14%	100.00%	58.14%	57.69%
	- Percentage of shares (as a % of the total Share Capital of the Company)	39.64%	22.87%	22.87%	39.64%	22.87%	22.87%
	b) Non Encumbered						
	- Number of shares	-	36,67,50,000	36,00,00,000	-	36,00,00,000	36,67,50,000
	- Percentage of shares (as a % of the total shareholding of Promoter & Promoter group)	0.00%	42.31%	41.86%	0.00%	41.86%	42.31%
	- Percentage of shares (as a % of the total Share Capital of the Company)	0.00%	16.77%	16.46%	0.00%	16.46%	16.77%

B	INVESTOR COMPLAINTS	Three months ended 30.09.2013
	Pending at the beginning of the quarter	0
	Received during the quarter	2
	Disposed off during the quarter	2
	Remaining unresolved at the end of the quarter	0

Standalone / Consolidated Statement of Assets and Liabilities

	Particulars	As at current half year ended 30.09.2013	As at previous year ended 31.03.2013
	Particulars		
A	**EQUITY AND LIABILITIES**		
1	**Shareholders Funds**		
	a) Share Capital	2,18,673.50	2,18,673.50
	b) Reserves & Surplus	(51,991.88)	(39,603.13)
	c) Money received against share warrants	-	-
	Sub Total- Shareholders funds	**1,66,681.62**	**1,79,070.37**
2	**Share application money pending allotment**	-	-
3	**Minority Interest ***	NA	NA
4	**Non-current liabilities**		
	(a) Long term borrowings	7,34,970.29	5,64,914.76
	(b) Other long term liabilities	46,183.54	46,486.77
	(c) Long term provisions	177.42	215.39
	Sub Total- Non Current Liabilities	**7,81,331.25**	**6,11,616.92**
5	**Current liabilities**		
	(a) Short term borrowings	25,835.47	23,312.92
	(b) Trade Payables	12,277.36	20,682.72
	(c) Other current liabilities	83,773.73	1,91,352.31
	(d) Short term provisions	78.54	78.54
	Sub Total- Current Liabilities	**1,21,965.10**	**2,35,426.49**
	TOTAL- EQUITY AND LIABILITIES	**10,69,977.97**	**10,26,113.78**
B	**ASSETS**		
1	**Non current assets**		
	(a) Fixed assets	10,12,777.14	9,61,838.26
	(b) Long term loans and advances	12,398.12	15,797.06
	Sub-Total- Non current assets	**10,25,175.26**	**9,77,635.32**
2	**Current assets**		
	a) Current Investments	-	-
	b) Inventories	14,045.16	22,593.36
	c) Trade Receivables	86.98	585.77
	d) Cash and cash equivalents	11,521.78	9,261.10
	(e) Short term loans and advances	18,914.11	15,112.29
	(f) Other current assets	234.66	935.94
		44,802.71	**48,478.46**

3 Against the proposal of the Company to restructure its debts, the Corporate Debt Restructuring Empowered... dated 28 September 2013 has approved a package to restructure/reschedule the Company's Debt. The implementation of CDR Package is under progress. Pending execution of the "Master Restructuring Agreement" with the CDR Lenders, the financial effect thereof has been taken in these accounts.

4 There is no reportable segment in accordance with AS-17 since the part of the Company's project is under construction stage.

5 The above unaudited results were reviewed by the Audit Committee and thereafter approved by the Board of Directors at its meeting held on November 14, 2013.The Statutory Auditors have carried out a Limited Review of the results for the quarter and half year ended 30th September 2013 pursuant to Clause 41 of the Listing Agreement.

By order of the Board

Place : Kolkata
Date : November 14, 2013

N C Bahl
(Wholetime Director)

B. Chhawchharia & Co.

Chartered Accountants

8A & 8B, Satyam Towers
3, Alipore Road, Kolkata - 700 027, India
Tel : (91-33) 2479 1951, Fax : (91-33) 2479 1952
E-mail : contact@bccoindia.com

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 ended September 30, 2013 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 provides 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 ended September 2013, whereby the financial effect of the approved Corporate Debt Restructuring ('CDR') package has been given effect to in the said results pending execution of the "Master Restructuring Agreement" with the CDR Lenders.

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.

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

Partner
Membership No. 060560
Address: 8A & 8B, Satyam Towers
3, Alipore Road
Kolkata – 700 027

Kolkata
November 14, 2013

