



ELECTROSTEEL CASTINGS LIMITED

G. K. TOWER, 19 CAMAC STREET, KOLKATA-700 017 (INDIA)
TEL : Board Number 91-33-22839990, 40090600
Fax : (Directors) 91-33-22894336, (Sales) 91-33-22894337, (Export) 91-33-22894338, (Finance) 91-33-22894339,
CIN - L27310OR1955PLC000310
E-mail Id: companysecretary@electrosteel.com

3 August 2017

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

National Stock Exchange of India Limited

Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051

Scrip Code: **500128**

Symbol: **ELECTCAST**

Dear Sir/Madam,

Sub: Outcome of Meeting of the Board of Directors of the Company held on 3 August 2017

This is to inform you that the Board of Directors at their meeting held today, have inter-alia approved the Unaudited Standalone Financial Results of the Company for the quarter ended 30 June 2017.

In compliance with provisions of Regulation 33 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Unaudited Standalone Financial Results of the Company for the quarter ended 30 June 2017 and Limited Review Report of Auditors' thereon.

Time of Commencement of Meeting: 1145 Hours
Time of Conclusion of Meeting: 1415 Hours

This is for your information and records.

Thanking you,

Yours faithfully,

For Electrosteel Castings Limited

Subhra Giri Patnaik
Company Secretary
ICSI: F6490



Encl: a/a



Website : www.electrosteel.com
Regd. Office : Rajgangpur, Odisha



FM : 45346

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 30th June 2017 ('the Results'). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ('the SEBI Regulations'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July 2016 which has been initialed by us for the purpose of identification.
2. This Statement which is the responsibility of the Company's Management and has been approved by the Board of Directors has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.
3. 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.
4. Attention is drawn to the following notes of the accompanying results:
 - a) Note no. 4 dealing with cancellation of coal blocks allotted to the company and non-recognition of the claim for compensation pending acceptance thereof and thereby having impact to the extent indicated in the said note on the balances of capital work in progress, Property, Plant and Equipment, Inventories and other heads of account being carried forward under the respective heads. Pending acceptance, the amount finally recoverable against the claim and consequential adjustments thereof are presently not ascertainable; and
 - b) Note no. 5 regarding non-provision for impairment in the value of investments in a joint venture company, pending determination of the claim for compensation against North Dhadu Coal Block; and,
 - c) Impact with respect to (a) and (b) above are presently not ascertainable and as such cannot be commented upon by us.
5. Based on our review conducted as above, we report that, excepting the possible effect of the matters stated in Para 4 above nothing has come to our attention that causes us to believe that the accompanying statement of the Results read with notes thereon, prepared in accordance with aforesaid Indian Accounting Standards and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Kolkata
Date: 3rd August 2017For Lodha & Co.
Chartered Accountants
Firm's ICAI Registration No.:301051E*R.P. Singh*R P Singh
Partner
Membership No.052438

**ELECTROSTEEL CASTINGS LIMITED**

CIN: L27310OR1955PLC000310

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

Tel. No.: +91 06624 220 332; Fax: +91 06624 220 332

Corporate Office: 19, Camac Street, Kolkata 700 017

Website: www.electrosteelcastings.com

E-mail: companysecretary@electrosteel.com

(Rs. in lakhs)

STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER ENDED 30/06/2017

Particulars	3 months ended 30/06/2017	Preceding 3 months ended 31/03/2017	Corresponding 3 months ended in the previous year 30/06/2016	Year to date figures for previous year ended 31/03/2017
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
1. Revenue From Operations	4,78,86.64	4,93,81.46	4,30,31.17	18,34,18.06
2. Other Income	19,94.29	59,49.69	7,09.85	94,93.75
3. Total income (1 + 2)	4,98,80.93	5,53,31.15	4,37,41.02	19,29,11.81
4. Expenses				
(a) Cost of materials consumed	2,28,01.85	2,48,96.80	1,49,45.20	7,64,36.64
(b) Purchases of stock-in-trade	8,29.24	16,97.88	18,25.38	56,61.25
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(4,10.28)	(9,75.77)	22,01.41	(14,56.82)
(d) Employee benefits expense	47,39.40	46,80.05	42,03.56	1,84,19.28
(e) Finance costs	49,81.80	71,31.00	46,17.10	2,01,05.16
(f) Depreciation and amortisation expense	14,91.46	16,55.80	15,68.42	63,68.85
(g) Other expenses	1,53,78.23	1,49,73.28	1,28,15.64	5,65,28.41
Total expenses	4,98,11.70	5,40,59.04	4,21,76.71	18,20,62.78
5. Profit before tax (3 - 4)	69.23	12,72.11	15,64.31	1,08,49.03
6. Tax expense				
-Current	237.33	(6,04.60)	7,19.80	32,02.67
-Deferred	(190.18)	7,70.42	(162.35)	(81.94)
7. Profit for the period (5 - 6)	22.08	11,06.29	10,06.86	77,28.30
8. Other Comprehensive Income after Tax				
A (i) Items that will not be reclassified to profit or loss	(25.63)	(2,24.14)	(41.48)	(99.70)
(ii) Income tax relating to items that will not be reclassified to profit or loss	8.87	77.90	14.36	34.83
B (i) Items that will be reclassified to profit or loss	61.14	1,59.05	40.92	1,89.05
(ii) Income tax related to items that will be reclassified to profit and loss	(21.16)	(55.04)	(14.16)	(65.42)
Other Comprehensive Income for the year (net of tax)	23.22	(42.23)	(0.36)	58.76
9. Total Comprehensive Income for the period (7 + 8)	45.30	10,64.06	10,06.50	77,87.06
10. Paid-up equity share capital (Face value - Re. 1/-)	35,69.55	35,69.55	35,69.55	35,69.55
11. Other equity excluding revaluation reserve				28,28,80.46
12. Earnings per equity share of per value of Re. 1 each.				
(1) Basic (Rs.)	0.01	0.31	0.28	2.17
(2) Diluted (Rs.)	0.01	0.31	0.28	2.17

Notes:

- The above financial results which have been prepared in accordance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular dated July 5, 2016, have been reviewed by Audit Committee and approved by the Board of Directors at their meeting held on August 03, 2017. 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.
- The Board of Directors of the Company, at its meeting held on August 11, 2014 had approved the Scheme of Amalgamation ("the Scheme") of its wholly owned subsidiary, Mahadev Vyapaar Private Limited with the Company with effect from April 1, 2014 ("Appointed Date"). Mahadev Vyapaar Private Limited had filed an application before the Hon'ble High Court at Calcutta, which has sanctioned the said Scheme. The application filed by the Company before the Hon'ble High Court at Orissa will be taken by the National Company Law Tribunal, Kolkata Bench ("NCLT") as per Notification no.S.O. 3677(E) dated December 7, 2016 and Rule 3 of Companies (Transfer of Pending Proceedings) Rules, 2016. The said application is yet to be transferred to NCLT. No effect of the Scheme has therefore been given in the above results of the Company.



4. In pursuance of the Order dated September 24, 2014 issued by the Hon'ble Supreme Court of India (the Order) followed by the Ordinance promulgated by the Government of India, Ministry of Law & Justice (legislative department) dated October 21, 2014 (Ordinance) for implementing the Order, allotment of Parbatpur coal block (coal block/mines) to the Company which was under advanced stage of implementation, had been cancelled w.e.f. April 01, 2015. In terms of the Ordinance, the Company was allowed to continue the operations in the said block till March 31, 2015. Accordingly, the coal block had been handed over to Bharat Coking Coal Limited (BCCL) as per the direction from Coal India Ltd. (CIL) with effect from April 01, 2015, and the same was subsequently allotted to Steel Authority of India Limited (SAIL). Following a petition filed by the Company, the Hon'ble High Court at Delhi pronounced its judgement on March 09, 2017. Based on the said judgement, the Company claimed Rs. 15,31,76.00 lakhs towards compensation against the said coal block, acceptance whereof is awaited. Pending acceptance of the Company's claim as above:
- (i) Rs.12,88,84.11 lakhs incurred pertaining to the coal block till March 31, 2015 after setting off income, stocks etc. there against as per the accounting policy then followed by the company has been continued to be shown as freehold land, capital work in progress, other fixed assets and other respective head of accounts;
 - (ii) Interest and other finance cost for the year ended March 31, 2016 against the fund borrowed and other expenses directly attributable in this respect amounting to Rs. 95,14.74 lakhs has been considered as other recoverables under current assets; and
 - (iii) Compensation of Rs. 83,12.34 lakhs so far received and net realisations against sale of assets, advances etc. amounting to Rs. 6,33.83 lakhs have been adjusted.
- Adjustments arising with respect to above will be given effect to on final acceptance/settlement of the claim.
5. In terms of the Hon'ble Supreme Court Order as referred above, North Dhadhu Coal Block, allotted in joint venture with other companies, had also been cancelled w.e.f. September 24, 2014. The Company barring initial contribution of Rs. 8,22.81 lakhs has not made any further investments in the said joint venture company. In respect of Company's investment in North Dhadhu Coal Block, allotted in joint venture with other companies, in view of the management, the compensation to be received in terms of the ordinance is expected to cover the cost incurred by the Joint Venture Company and thereby no impairment requiring any adjustments in value of such investment is expected to arise.
6. Due to delay in grant of forest, environment and other clearances from various authorities and execution of mining lease of an area of 1,92.50 ha. by the State Government of Jharkhand for iron and manganese ores at Dirsumburu in Kodilabad Reserve Forest, Saranda of West Singhbhum, Jharkhand, the validity period of letter of intent granted in this respect expired on January 11, 2017. The Company filed a writ petition before the Hon'ble High Court of Jharkhand on January 10, 2017, praying inter-alia for direction for grant of said lease in favour of the Company. The Hon'ble High Court in its order while observed, being not averse in granting relief with respect to cut off date, admitted the said petition and fixed the case for further hearing and adjudication. Pending decision of the High Court, Rs. 62,72.66 lakhs so far incurred in connection with these Mines/related facilities, have been carried forward under respective heads of fixed assets, capital work in progress and advances.
7. The Company's investment in Electrosteel Steels Limited (ESL), an Associate as required in terms of Ind AS has been carried at Rs. 6,05,92.88 lakhs. ESL is passing through financial stringency and one of the lending banker has filed an application before Hon'ble National Company Law Tribunal (NCLT) for initiation of Corporate Insolvency Resolution Process (CIRP), which has since been admitted and order to the effect and appointment of Interim Resolution Professional (IRP) has been passed on July 21, 2017. Pending completion of the resolution process and ameliorative measures to be implemented in this respect, Company's investment in the said associate has been carried at deemed cost being fair value on April 1, 2015, the date of transition to Ind AS and no impairment in value thereof has been considered necessary.
8. The listed non-convertible debentures of the Company aggregating Rs. 50,00.00 lakhs as on June 30, 2017 are fully secured against Company's fixed assets other than assets at Elavur.
9. The figures for the quarters ended March 31, 2017 are the balancing figures between the audited figures in respect of the full financial year 2016-2017 and the year to date upto the quarter ended December 31, 2016.
10. Previous periods' figures have been regrouped/rearranged wherever necessary.

For ELECTROSTEEL CASTINGS LTD.


Umang Kejriwal

Managing Director
(DIN: 00065173)



Kolkata
August 3, 2017