



# 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

14 May 2016

## BSE Limited

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

## The 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 14 May 2016

This is to inform you that the Board of Directors at their meeting held today, have inter-alia taken the following decisions:

1. Approved the Audited Financial Results of the Company for the quarter and Financial Year ended 31 March 2016 alongwith the Consolidated Financial Results for the Financial Year ended 31 March 2016.
2. Recommended a dividend of Re. 0.50 (50%) per Equity Share of face value of Re.1/- each for the Financial Year ended 31 March 2016, subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.
3. The dividend for Financial Year ended 31 March, 2016, if any, declared by the shareholders at the ensuing Annual General Meeting, will be paid to the shareholders on or before 8 October 2016.
4. The 61st Annual General Meeting of the Members of the Company will be held on Friday, 9 September 2016.
5. The Register of Members and Share Transfer Book shall remain closed from 3 September 2016 to 9 September 2016 (both days inclusive) for the purpose of determining the Members eligible to receive the dividend.
6. Issue of Non-Convertible Debentures on private placement basis for an amount not exceeding Rs.200 crores, subject to the approval of the Members.
7. The Board noted that Citi Bank N.A., depository for Global Depository Receipts (GDRs) of the Company had vide their letter dated 18 March 2016 has given notice to the Company of its resignation as depository. Such resignation is to be effective on the earlier of (i) the ninetieth (90th) day after delivery of this notice of resignation to the Company and (ii) the appointment by the Company of a successor depository and the acceptance by the successor depository of such appointment. Considering the minimal number of outstanding GDRs as on 31 March 2016, the Board decided not to appoint a successor depository, subsequent to which the GDR program would be terminated.



Website : [www.electrosteel.com](http://www.electrosteel.com)  
Regd. Office : **Rajgangpur, Odisha**



FM : 45346.



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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

In compliance with provisions of Regulation 30, 33, 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations, 2015") and other applicable provisions of Listing Regulations, 2015, please find enclosed the following documents:

- i. Auditor's Report on Standalone Financial Results
- ii. Annual Audited Standalone Financial Results
- iii. Form B on Standalone Financial Results
- iv. Auditor's Report on Consolidated Financial Results
- v. Annual Audited Consolidated Financial Results
- vi. Form B on Consolidated Financial Results
- vii. Certificate of the Debenture Trustee required under Regulation 52(5) of SEBI Listing Regulations.

Time of Commencement of Meeting: 1210 Hours  
Time of Conclusion of Meeting: 1635 Hours

This is for your information and records.

Thanking you,  
Yours faithfully,

For Electrosteel Castings Limited

  
Subhra Giri Patnaik  
Company Secretary  
ICSI: F6490



Website : [www.electrosteel.com](http://www.electrosteel.com)  
Regd. Office : Rajgangpur, Odisha



FM : 45346

**Auditors' Report on Standalone Financial Results  
For the Quarter and year ended 31<sup>st</sup> March 2016****The Board of Directors of  
Electrosteel Castings Limited**

1. We have audited the standalone quarterly financial results of Electrosteel Castings Limited ('the company') for the quarter ended 31<sup>st</sup> March, 2016 and the year ended 31<sup>st</sup> March, 2016, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Regulations') and has been initialed by us for identification. The financial results for the quarter ended 31<sup>st</sup> March, 2016 have been prepared on the basis of the audited financial statements for the year ended 31<sup>st</sup> March, 2016 and the financial results for the nine months ended 31<sup>st</sup> December, 2015, which were subject to limited review and are the responsibility of the company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our audit of the financial results as at and for the year ended 31<sup>st</sup> March, 2016 and our review of the financial results for the nine month period ended 31<sup>st</sup> December 2015, which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, as applicable and other accounting principles generally accepted in India and the relevant requirements of the SEBI Regulations.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. Attention is drawn to the following notes of the accompanying results:
  - a. Note No. 4(a) dealing with cancellation of coal blocks allotted to the company and the resultant amount of the claim for compensation along with interest thereon and consequential adjustments arising in this respect.
  - b. Note no. 4(b) regarding non-provision of diminution in the value of investments in a joint venture company, pending determination of the claim for compensation against North Dhadu Coal Block.
  - c. Impact with respect to (a) and (b) are presently not ascertainable and as such cannot be commented upon by us.



4. In our opinion and to the best of our information and according to the explanations given to us, except for matters described in Paragraph 3 above, these quarterly financial results as well as the year to date results read with notes thereon:
- I. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
  - II. give a true and fair view of the net profit and other financial information for the quarter and year ended 31<sup>st</sup> March 2016.
5. These financial results include the results for the quarter ended 31<sup>st</sup> March, being the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto 31<sup>st</sup> December of the relevant financial year, which were subject to limited review by us as stated in Paragraph 1 above, as required under the SEBI Regulations.



Place: Kolkata  
Date: 14<sup>th</sup> May 2016

For Lodha & Co.  
Chartered Accountants  
Firm's ICAI Registration No.:301051E

*R. P. Singh*  
R. P. Singh  
Partner  
Membership No: 52438



**ELECTROSTEEL CASTINGS LIMITED**

CIN: L27310OR1955PLC000310

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

Tel. No.:+91 066 2422 0332; Fax:+91 066 2422 0332

Corporate Office: 19, Camac Street, Kolkata 700 017

Website: www.electrosteelcastings.com

E-mail: companysecretary@electrosteel.com

**PART I**

(Rs. in lakhs)

**STATEMENT OF STANDALONE AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED 31/03/2016**

Particulars	3 months ended 31/03/2016	Preceding 3 months ended 31/12/2015	Corresponding 3 months ended in the previous year 31/03/2015	Year to date figures for current period ended 31/03/2016	Year to date figures for previous period ended 31/03/2015
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
<b>1. Income from operations</b>					
(a)Net sales/income from operations (net of excise duty)	53703.29	48813.20	53716.16	193337.09	208724.22
(b)Other operating income	1068.00	926.61	1235.71	3889.05	6653.67
<b>Total income from operations (net)</b>	<b>54771.29</b>	<b>49739.81</b>	<b>54951.87</b>	<b>197226.14</b>	<b>215377.89</b>
<b>2. Expenses</b>					
(a)Cost of materials consumed	18992.65	21558.26	27584.13	85540.33	103726.82
(b)Purchases of stock-in-trade	936.63	1049.02	968.08	4873.91	8653.10
(c)Changes in inventories of finished goods, work-in-progress and stock-in-trade	5956.29	628.19	1078.35	3023.34	509.27
(d)Employee benefits expense	4285.24	4734.47	4110.90	17782.39	15990.67
(e)Depreciation and amortisation expense	1586.72	1597.23	1546.17	6361.16	6743.00
(f)Other expenses	15947.02	14706.18	14023.29	57801.04	58670.89
<b>Total expenses</b>	<b>47704.55</b>	<b>44273.35</b>	<b>49310.92</b>	<b>175382.17</b>	<b>194293.75</b>
<b>3. Profit / (Loss) from operations before other income, finance costs (1-2)</b>	<b>7066.74</b>	<b>5466.46</b>	<b>5640.95</b>	<b>21843.97</b>	<b>21084.14</b>
<b>4. Other Income</b>	<b>339.62</b>	<b>1088.27</b>	<b>418.06</b>	<b>3203.66</b>	<b>3081.13</b>
<b>5. Profit / (Loss) from ordinary activities before finance costs (3 + 4)</b>	<b>7406.36</b>	<b>6554.73</b>	<b>6059.01</b>	<b>25047.63</b>	<b>24165.27</b>
<b>6. Finance costs</b>	<b>4023.36</b>	<b>4697.42</b>	<b>3361.85</b>	<b>16997.96</b>	<b>14531.62</b>
<b>7. Profit / (Loss) from ordinary activities after finance costs but before tax (5 - 6)</b>	<b>3383.00</b>	<b>1857.31</b>	<b>2697.16</b>	<b>8049.67</b>	<b>9633.65</b>
<b>8. Tax expense</b>	<b>984.33</b>	<b>577.28</b>	<b>260.28</b>	<b>2154.17</b>	<b>2366.49</b>
<b>9. Net Profit / (Loss) from ordinary activities after tax (7 - 8)</b>	<b>2398.67</b>	<b>1280.03</b>	<b>2436.88</b>	<b>5895.50</b>	<b>7267.16</b>
<b>10. Paid-up equity share capital (Face value - Re. 1/-)</b>	<b>3569.55</b>	<b>3569.55</b>	<b>3569.55</b>	<b>3569.55</b>	<b>3569.55</b>
<b>11. Reserves excluding revaluation reserve as per balance sheet of previous accounting year</b>				<b>197286.63</b>	<b>192831.12</b>
<b>12. Earnings Per Share (EPS) of Re.1 each (not annualised):</b>					
Basic (Rs.)	0.67	0.36	0.68	1.65	2.05
Diluted (Rs.)	0.67	0.36	0.68	1.65	2.05
<b>13. Networth</b>				<b>196707.90</b>	<b>192252.39</b>
<b>14. Debenture Redemption Reserve</b>				<b>3260.00</b>	<b>6750.00</b>
<b>15. Debt Equity Ratio</b>				<b>1.06</b>	<b>1.28</b>
<b>16. Debt Service Coverage Ratio (DSCR)*</b>				<b>1.12</b>	<b>1.43</b>
<b>17. Interest Service Coverage Ratio (ISCR)**</b>				<b>1.59</b>	<b>1.83</b>

\*DSCR = PBDIT / (Net Finance charges + Scheduled principal repayments (excluding repayments from investment / refinancing /long term export advances) during the period)

\*\*ISCR = PBDIT/Net Finance charges

Net finance Charges: Interest Cost - Interest Income on Fixed Deposit - exchange loss related to interest cost



Standalone Statement of Assets and Liabilities	(Rs. in lakhs)	
	STANDALONE	
	Year Ended 31/03/2016 (Audited)	Year Ended 31/03/2015 (Audited)
Particulars		
<b>A. EQUITY AND LIABILITIES</b>		
<b>1. Shareholders' funds</b>		
(a) Share capital	3569.55	3569.55
(b) Reserves and surplus	250656.47	246909.09
<b>Sub total - Shareholders' funds</b>	<b>254226.02</b>	<b>250478.64</b>
<b>2. Non-current liabilities</b>		
(a) Long-term borrowings	114869.94	128437.59
(b) Deferred tax liabilities (net)	2791.82	3086.72
(c) Other long-term liabilities	14980.31	82.71
(d) Long-term provisions	1576.51	1298.62
<b>Sub total - Non-current liabilities</b>	<b>134218.58</b>	<b>132905.64</b>
<b>3. Current liabilities</b>		
(a) Short-term borrowings	76983.80	81019.45
(b) Trade payables	24259.18	22143.38
(c) Other current liabilities	32678.68	51943.97
(d) Short-term provisions	8776.33	7693.65
<b>Sub total - Current liabilities</b>	<b>142697.99</b>	<b>162800.45</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>531142.59</b>	<b>546184.73</b>
<b>B. ASSETS</b>		
<b>1. Non-current assets</b>		
(a) Fixed assets	236604.94	238721.28
(b) Non-current investments	125863.97	125863.97
(c) Long-term loans and advances	2924.66	2134.07
(d) Other non-current assets	2636.69	339.68
<b>Sub total - Non-current assets</b>	<b>368030.26</b>	<b>367059.00</b>
<b>2. Current assets</b>		
(a) Current investments	267.15	715.46
(b) Inventories	35092.41	49578.56
(c) Trade receivables	70372.37	58034.76
(d) Cash and cash equivalents	9495.66	21022.42
(e) Short-term loans and advances	29615.19	36512.74
(f) Other current assets	18269.55	13261.79
<b>Sub total - Current assets</b>	<b>163112.33</b>	<b>179125.73</b>
<b>TOTAL - ASSETS</b>	<b>531142.59</b>	<b>546184.73</b>
<b>Notes:</b>		
<p>1. The above financial results, as reviewed by Audit Committee, were approved by the Board of Directors at their meeting held on May 14, 2016.</p> <p>2. The Company operates mainly in one business segment viz. Pipes and all other activities revolve around the main business.</p> <p>3. The Board of Directors of the Company in its meeting held on August 11, 2014 has 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"). The Company has filed an application before Hon'ble High Court of Orissa at Cuttack which is pending for hearing. In respect of the application filed by Mahadev Vyapaar Private Limited before the Hon'ble High Court at Calcutta, the Hon'ble High Court has sanctioned the said Scheme. No effect of the Scheme has been given in the above results of the Company, pending sanction by the Hon'ble High Court of Orissa.</p>		



4. (a) 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, has 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 same has been handed over to Bharat Coking Coal Limited (BCCL) as per the direction from Coal India Ltd. (CIL) with effect from April 01, 2015. The Company pending acceptance and recovery of the amount of compensation, has filed a petition before the Hon'ble High Court at Delhi, hearing whereof has been concluded and judgement is awaited.

Pending decision of the Court,

(i) Rs.128884.11 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 period from April 01, 2015 onwards against the fund borrowed and other expenses directly attributable in this respect amounting to Rs. 9414.78 lakhs has been considered as other recoverable under current assets.

(iii) Realisation against sale of assets, advances etc amounting to Rs. 633.83 lakhs have been adjusted there against.

The matter being subjudice the amount of compensation are presently not ascertainable and consequential adjustments in this respect will be given effect to on ascertainment of the amounts thereof.

b) In terms of the Supreme Court Order as referred above, North Dhadhu Coal Block, allotted in joint venture with other companies, has also been cancelled w.e.f. September 24, 2014. The Company barring initial contribution of Rs. 822.81 lakhs has not made any further investments in the said the joint venture company. In respect of Company's investment of Rs.822.81 lakhs 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 Companies and thereby no diminution in value of such investment is expected to arise and accordingly no provision has been considered necessary by the management.

5. Electrosteel Steels Limited, an associate company is passing through financial stringency and Joint Lender Forum (JLF) is contemplating various restructuring and other measures which interalia include restructuring of debts, induction of new promoter etc., final outcome whereof is awaited. Pending finalisation and implementation of those measures, Company's investment in the said associate has been carried at cost.

6. The figures for the quarters ended March 31, 2016 and March 31, 2015 are the balancing figures between the audited figures in respect of the full financial year and the year to date upto the quarter ended 31st December of the respective years.

7. The Board of Directors have recommended a dividend of Re. 0.50 per share ( i.e 50% ), subject to approval of shareholders.

8. As required by Listing Obligations and Disclosure Requirements 2015, given below are the details of the Non Convertible Debentures (NCD's) pertaining to the Company as on March 31, 2016.

NCD Particulars	Present Rating	Previous Rating	Asset Cover Ratio	Details of last Interest Payment		Details of last Principal Payment		Details of next Interest Payment		Details of next Principal Payment	
				Due Date	Status	Due Date	Status	Due Date	Amount, Rs in Lakhs	Due Date	Amount, Rs in Lakhs
12.50% NCD	BWR AA-CARE A	BWR AA-CARE AA-	5.83	06/01/2016	Paid	06/01/2016	Paid	N/A	N/A	N/A	N/A
11% NCD	BWR AA-CARE A	BWR AA-CARE AA-	5.83	05/07/2015	Paid	N/A	N/A	05/07/2016	551.51	05/07/2018	5000
10.75% NCD	CARE A	CARE AA-	1.37	11/04/2015	Paid	11/04/2015	Paid	11/04/2016	866.67	11/04/2016	3960

9. Previous periods' figures have been regrouped/rearranged wherever necessary.





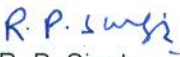

Kolkata  
May 14, 2016

**For ELECTROSTEEL CASTINGS LTD.**

  
Umang Kejriwal

Managing Director  
(DIN: 00065173)

**FORM B**  
**(Audit Report with Modified Opinion)**

1.	Name of the Company:	Electrosteel Castings Limited
2.	Annual financial statements for the year ended	Standalone Financial Results for the year ended 31 March, 2016
3.	Type of Audit qualification	Qualified opinion
4.	Frequency of qualification	Since Financial Year 2014-15
	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<p>Attention is drawn by the Auditors to the following notes of the accompanying results of the Company:</p> <p>a. Note No. 4(a) dealing with cancellation of coal blocks allotted to the company and the resultant amount of the claim for compensation along with interest thereon and consequential adjustments arising in this respect.</p> <p>b. Note no. 4(b) regarding non-provision of diminution in the value of investments in a joint venture company, pending determination of the claim for compensation against North Dhadu Coal Block.</p> <p>c. Impact with respect to (a) and (b) are presently not ascertainable and as such cannot be commented upon by them.</p> <p><i>Management Response to the qualification in the Report of Directors:</i></p> <p>As regards the Qualified Opinion expressed by the Auditors in their Report, attention is drawn to Note 4 (a) and (b) of the Standalone Financial Results.</p> <p>The Management response will be included in the Directors Report.</p>
	Additional comments from the board/audit committee chair:	None
5.	To be signed by:	
	<ul style="list-style-type: none"> <li>CEO/Managing Director</li> </ul>	 Umang Kejriwal (DIN:00065173)
	<ul style="list-style-type: none"> <li>CFO</li> </ul>	 Brij Mohan Soni
	<ul style="list-style-type: none"> <li>Auditor of the Company</li> </ul>	For Lodha & Co., Chartered Accountants Firm's ICAI Registration No. 301051E  R. P. Singh Partner Membership No. 52438
	<ul style="list-style-type: none"> <li>Audit Committee Chairman</li> </ul>	 Binod Kumar Khaitan (DIN:00128502)



**Auditors' Report on Consolidated Financial Results****For the year ended 31<sup>st</sup> March 2016****The Board of Directors of  
Electrosteel Castings Limited**

1. We have audited the consolidated financial results of Electrosteel Castings Limited ('the holding company') and its subsidiary company (the Company and its subsidiary together referred to as 'the Group'), its associates and jointly controlled entity for the year ended March 31, 2016, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Regulations') and has been initialed by us for identification. These consolidated financial results, which is the responsibility of the Holding company's management and have been approved by the Board of Directors of the Holding Company, has been prepared in accordance with the relevant accounting standard prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, as applicable and other accounting principles generally accepted in India and the relevant requirements of the SEBI Regulations. Our responsibility is to express an opinion on these financial results.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. Attention is drawn to the following notes of the accompanying Statement:
  - a. Note No. 4(a) dealing with cancellation of coal blocks allotted to the company and the resultant amount of the claim for compensation along with interest thereon and consequential adjustments arising in this respect.
  - b. Note no. 4(b) regarding non-provision of diminution in the value of investments in a joint venture company, pending determination of the claim for compensation against North Dhadu Coal Block.
  - c. Impact with respect to (a) and (b) are presently not ascertainable and as such cannot be commented upon by us.
4. We did not audit the financial statements of eleven subsidiary companies included in the consolidated financial statements for the year ended 31<sup>st</sup> March, 2016, whose financial statements reflect total assets of Rs. 2,00,639.13 Lakhs as at 31<sup>st</sup> March, 2016 and total revenue of Rs. 72,040.51 Lakhs for the year ended on that date, as considered in the consolidated financial results. The statement also includes the Group's share of net loss of Rs. 7188.63 Lakhs for the year ended 31<sup>st</sup> March, 2016, as considered in the statements, in respect of three associates, whose financial statements have not been audited by us. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion is based solely on the report of the other auditors.



5. As stated in Note No. 7 of the consolidated financial statement we did not audit the financial statements of one subsidiary company and one jointly controlled entity whose financial statements reflect total assets of Rs. 855.58 Lakhs as at 31st March 2016 and total revenue of Rs. 3.74 Lakhs for the year ended as on that date, as considered in the consolidated financial statements. The aforesaid financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates is based solely on the unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.
6. As stated in Note No. 8 of the consolidated financial statement regarding non-availability of the financial statement of Domco Private Limited, a jointly controlled entity due to which these have not been consolidated in these Consolidated Financial Statements as required in terms of AS-27 on "Financial Reporting of Interests in Joint Ventures.
7. In our opinion and to the best of our information and according to the explanations given to us, except for matters described in Paragraph 3 above, these consolidated financial results read with notes thereon:
  - I. include the financial results for the year ended 31<sup>st</sup> March, 2016 of:

<b>Name of the subsidiaries</b>	
Electrosteel Trading S.A. Spain	Electrosteel Europe S.A.
Mahadev Vyapar Private Limited	Electrosteel Algeria SPA
Electrosteel Castings Gulf FZE	Electrosteel Castings (UK) Limited
Electrosteel Doha For Trading LLC	Electrosteel USA, LLC
Electrosteel Brasil Ltda. Tubos e Conexoes Duteis	WaterFab LLC (acquired 100% share capital through wholly owned subsidiary Electrosteel USA, LLC)
Electrosteel Bahrain Holding Company S.P.C	Electrosteel Bahrain Trading W.L.L (Subsidiary of Electrosteel Bahrain Holding Company S.P.C)
<b>Name of the Associate Companies</b>	
Electrosteel Steels Limited	Srikalahasthi Pipes Limited
Electrosteel Thermal Power Limited	
<b>Name of the Joint Venture Companies</b>	
North Dhadhu Mining Company Private Limited	

- II. have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- III. give a true and fair view of the consolidated net loss and other financial information for the Group for the year ended 31<sup>st</sup> March 2016.

For Lodha & Co.  
Chartered Accountants  
Firm's ICAI Registration No.:301051E



Place: Kolkata  
Date: 14<sup>th</sup> May 2016

*R.P. Singh*  
R. P. Singh  
Partner  
Membership No: 52438



ELECTROSTEEL CASTINGS LIMITED

CIN: L27310OR1955PLC000310

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

Tel. No.:+91 066 2422 0332; Fax:+91 066 2422 0332

Corporate Office: 19, Camac Street, Kolkata 700 017

Website: www.electrosteelcastings.com

E-mail: companysecretary@electrosteel.com

PART I

(Rs. in lakhs)

STATEMENT OF CONSOLIDATED AUDITED RESULTS FOR THE YEAR ENDED 31/03/2016

Particulars	Year Ended	
	31.03.2016	31.03.2015
	(Audited)	(Audited)
<b>1. Income from operations</b>		
(a) Net sales/income from operations (net of excise duty)	212163.04	233567.87
(b) Other operating income	3870.91	6614.69
<b>Total income from operations (net)</b>	<b>216033.95</b>	<b>240182.56</b>
<b>2. Expenses</b>		
(a) Cost of materials consumed	85540.33	103726.82
(b) Purchases of stock-in-trade	12533.60	14837.82
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1806.53)	(127.74)
(d) Employee benefits expense	23079.54	21538.70
(e) Depreciation and amortisation expense	6597.98	7061.09
(f) Other expenditure	67868.76	69356.24
<b>Total expenses</b>	<b>193813.68</b>	<b>216392.93</b>
<b>3. Profit / (Loss) from operations before other income, finance costs (1-2)</b>	<b>22220.27</b>	<b>23789.63</b>
4. Other Income	2007.81	6218.30
<b>5. Profit / (Loss) from ordinary activities before finance costs (3 + 4)</b>	<b>24228.08</b>	<b>30007.93</b>
6. Finance costs	18122.90	15656.66
<b>7. Profit / (Loss) from ordinary activities after finance costs but before tax (5 - 6)</b>	<b>6105.18</b>	<b>14351.27</b>
8. Tax expense	2238.00	2723.24
<b>9. Net Profit / (Loss) from ordinary activities after tax (7 - 8)</b>	<b>3867.18</b>	<b>11628.03</b>
10. Share of profit / (loss) of associates	(7188.64)	(23223.84)
11. Minority interest	(0.13)	(13.09)
<b>12. Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (9 + 10 + 11)</b>	<b>(3321.59)</b>	<b>(11608.90)</b>
13. Paid-up equity share capital (Face value - Re. 1/-)	3569.55	3569.55
14. Reserves excluding revaluation reserve as per balance sheet of previous accounting year	144610.61	149372.19
15. Earnings Per Share (EPS) of Re. 1 each		
Basic (Rs.)	(0.93)	(3.27)
Diluted (Rs.)	(0.93)	(3.27)



<b>Consolidated Statement of Assets and Liabilities</b>		<b>(Rs. In lakhs)</b>	
<b>Particulars</b>	<b>Year Ended 31/03/2016</b>	<b>Year Ended 31/03/2015</b>	
	<b>(Audited)</b>	<b>(Audited)</b>	
<b>A. EQUITY AND LIABILITIES</b>			
<b>1.Shareholders' funds</b>			
(a) Share capital	3569.55	3569.55	
(b) Reserves and surplus	197980.45	203450.16	
<b>Sub total - Shareholders' funds</b>	<b>201550.00</b>	<b>207019.71</b>	
<b>2.Minority interest</b>	<b>22.25</b>	<b>22.12</b>	
<b>3.Non-current liabilities</b>			
(a) Long-term borrowings	116019.58	129674.24	
(b) Deferred tax liabilities (net)	2755.98	3019.37	
(c) Other long-term liabilities	14992.64	82.71	
(d) Long-term provisions	1576.51	1298.62	
<b>Sub total - Non-current liabilities</b>	<b>135344.71</b>	<b>134074.94</b>	
<b>4.Current liabilities</b>			
(a) Short-term borrowings	87374.10	90289.31	
(b) Trade payables	29463.01	29337.37	
(c) Other current liabilities	35668.09	53361.02	
(d) Short-term provisions	8685.48	7665.16	
<b>Sub total - Current liabilities</b>	<b>161190.68</b>	<b>180652.86</b>	
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>498107.64</b>	<b>521769.63</b>	
<b>B. ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Fixed assets	242091.41	242500.79	
(b) Goodwill on consolidation	1419.71	1419.71	
(c) Non-current investments	68110.98	75878.67	
(d) Long-term loans and advances	2972.09	2434.98	
(e) Other non-current assets	2636.69	339.68	
<b>Sub total - Non-current assets</b>	<b>317230.88</b>	<b>322573.83</b>	
<b>2.Current assets</b>			
(a) Current investments	267.15	767.02	
(b) Inventories	59239.34	68895.61	
(c) Trade receivables	54131.62	51622.30	
(d) Cash and cash equivalents	13654.56	24527.67	
(e) Short-term loans and advances	35036.81	39993.86	
(f) Other current assets	18547.28	13389.34	
<b>Sub total - Current assets</b>	<b>180876.76</b>	<b>199195.80</b>	
<b>TOTAL - ASSETS</b>	<b>498107.64</b>	<b>521769.63</b>	
<b>Notes:</b>			
1. The above financial results, as reviewed by Audit Committee, were approved by the Board of Directors at their meeting held on May 14, 2016.			
2. The Company operates mainly in one business segment viz. Pipes and all other activities revolve around the main business.			
3. The Board of Directors of the Company in its meeting held on August 11, 2014 has 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"). The Company has filed an application before Hon'ble High Court of Orissa at Cuttack which is pending for hearing. In respect of the application filed by Mahadev Vyapaar Private Limited before the Hon'ble High Court at Calcutta, the Hon'ble High Court has sanctioned the said Scheme. No effect of the Scheme has been given in the above results of the Company, pending sanction by the Hon'ble High Court of Orissa.			



4. (a) 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, has 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 same has been handed over to Bharat Coking Coal Limited (BCCL) as per the direction from Coal India Ltd. (CIL) with effect from April 01, 2015. The Company pending acceptance and recovery of the amount of compensation, has filed a petition before the Hon'ble High Court at Delhi, hearing whereof has been concluded and judgement is awaited.

Pending decision of the Court,

(i) Rs.128884.11 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 period from April 01, 2015 onwards against the fund borrowed and other expenses directly attributable in this respect amounting to Rs. 9414.78 lakhs has been considered as other recoverable under current assets.

(iii) Realisation against sale of assets, advances etc amounting to Rs. 633.83 lakhs have been adjusted there against.

The matter being subjudice the amount of compensation are presently not ascertainable and consequential adjustments in this respect will be given effect to on ascertainment of the amounts thereof.

b) In terms of the Supreme Court Order as referred above, North Dhadhu Coal Block, allotted in joint venture with other companies, has also been cancelled w.e.f. September 24,2014. The Company barring initial contribution of Rs. 822.81 lakhs has not made any further investments in the said the joint venture company . In respect of Company's investment of Rs.822.81 lakhs 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 Companies and thereby no diminution in value of such investment is expected to arise and accordingly no provision has been considered necessary by the management.

5. Electrosteel Steels Limited, an associate company is passing through financial stringency and Joint Lender Forum (JLF) is contemplating various restructuring and other measures which interalia include restructuring of debts, induction of new promoter etc., final outcome whereof is awaited. Pending finalisation and implementation of those measures, Company's investment in the said associate has been carried at cost.

6. The Board of Directors have recommended a dividend of Re 0.50 per share ( i.e 50% ), subject to approval of shareholders.

7. The financial statements of North Dhadhu Mining Company Private Limited, a joint venturer company & Electrosteel Brasil Ltda. Tubos e Conexoes Duteis, a subsidiary company for the year ended 31st March, 2016 has not been subjected to audit by their auditor.

8. The Company has investment of Rs. 30 Lakhs in equity shares and given advance of Rs. 700 Lakhs against equity to Domco Private Limited (DPL), a Company incorporated in India, and has joint control (proportion of ownership interest of the Company being 50%) over DPL along with other venturers (the Venturers). The Venturers had filed a petition before the Company Law Board, Principal Bench, New Delhi (CLB) against the Company on various matters including for forfeiture of the Company's investment in equity shares of the DPL. The Company had inter alia filed petition before the Hon'ble High Court of Jharkhand at Ranchi. The Hon'ble High Court of Jharkhand at Ranchi upheld the Company's appeal and decided that the matter would have to be referred for Arbitration, the Venturer has challenged the aforesaid judgment in the Divisional Bench of the Hon'ble High Court of Jharkhand at Ranchi. Further advance of Rs. 700 Lakhs recoverable as above has also been referred for arbitration in terms of Shareholders Agreement. Pending final outcome of the matter and since , the other Venturer are not providing the financial statements of DPL, and thereby require consolidation in terms of accounting standard 27 and disclosures as regards to contingent liability, capital commitments, if any, aggregate amounts of the assets, liabilities, income and expenses related to the Company's interest in DPL has not been made in these financial statements.

9. Previous year figures have been regrouped/rearranged wherever necessary.



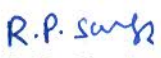
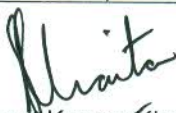
For ELECTROSTEEL CASTINGS LTD.



Kolkata  
May 14, 2016

  
Umang Kejriwal  
Managing Director  
(DIN: 00065173)

**FORM B**  
**(Audit Report with Modified Opinion)**

1.	Name of the Company:	Electrosteel Castings Limited
2.	Annual financial statements for the year ended	Consolidated Financial Results for the year ended 31 March, 2016
3.	Type of Audit qualification	Qualified opinion
4.	Frequency of qualification	Since Financial Year 2014-15
	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<p>Attention is drawn by the Auditors to the following notes of the accompanying results of the Company:</p> <p>a. Note No. 4(a) dealing with cancellation of coal blocks allotted to the company and the resultant amount of the claim for compensation along with interest thereon and consequential adjustments arising in this respect.</p> <p>b. Note no. 4(b) regarding non-provision of diminution in the value of investments in a joint venture company, pending determination of the claim for compensation against North Dhadu Coal Block.</p> <p>c. Impact with respect to (a) and (b) are presently not ascertainable and as such cannot be commented upon by them.</p> <p><i>Management Response to the qualification in the Report of Directors:</i></p> <p>As regards the Qualified Opinion expressed by the Auditors in their Report, attention is drawn to Note 4 (a) and (b) of the Consolidated Financial Results.</p> <p>The Management response will be included in the Directors Report.</p>
	Additional comments from the board/audit committee chair:	None
5.	To be signed by:	
	• CEO/Managing Director	 Umang Kejriwal (DIN:00065173)
	• CFO	 Brij Mohan Soni
	• Auditor of the Company	For Lodha & Co., Chartered Accountants Firm's ICAI Registration No. 301051E  R. P. Singh Partner Membership No. 52438
	• Audit Committee Chairman	 Binod Kumar Khaitan (DIN:00128502)





ATSL/CO/16-17/671  
May 14, 2016

To,  
**Electrosteel Castings Limited**  
G.K.Tower, 19 Camac Street,  
Kolkata - 700017

Kind Attention: Mr. Gaurav Somani

Sub: Letter of Debenture Trustee pursuant to Regulation 52 (5) of the SEBI (Listing Obligations and Disclosure Requirements) 2015

Dear Sir/Madam,

This has reference to the Privately Placed, Secured, Redeemable, Non-Convertible Debentures issued by Electrosteel Castings Limited ("Company") and listed on the NSE ("Listed Debt Securities").

Pursuant to Regulation 52(4) read with Regulation 52 (5) of the SEBI (Listing Obligations and Disclosure Requirements) 2015, the Company is required to submit its half yearly/annual financial results to the Stock Exchange, with a letter of the Debenture Trustee (Axis Trustee Services Limited) that the Debenture Trustee has noted the contents furnished by the Company as per Regulation 52(4).

In pursuance thereof we hereby confirm that we have received the said aforesaid information vide your letter dated May 14, 2016 (enclosed herewith) and we have noted the contents in respect of the Listed Debt Securities issued by the Company.

Thanking You,

Yours Faithfully  
For **Axis Trustee Services Limited**

  
Authorized Signatory

**AXIS TRUSTEE SERVICES LTD.**

(A wholly owned subsidiary of Axis Bank)

Corporate Identity Number (CIN): U74999MH2008PLC182264

CORPORATE & REGISTERED OFFICE : Axis House, 2nd Floor, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400 025.

TEL : 022-2425 5215 / 2425 5216 FAX : 022-4325 3000 Website: www.axistrustee.com