

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 September 2015 ('the Results') except for the disclosures regarding 'Public Shareholdings' 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 and the same has been initialed by us for the purpose of identification. 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 provides 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 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. Based on our review conducted as above, we report that, excepting the possible effect of the matters stated in Para 3 above nothing has come to our attention that causes us to believe that the accompanying statement of the Results prepared in accordance with applicable Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies generally accepted in India, 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.

Place: Kolkata
Date: 5th November 2015For Lodha & Co.
Chartered Accountants
Firm's ICAI Registration No.:301051E*R.P. Singh*
R P Singh
Partner
Membership No.052438

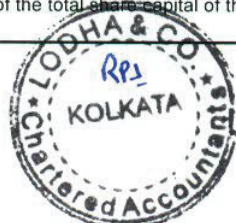
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2015

(Rs. in lakhs)

PART I	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.03.2015
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Income from operations							
(a) Net sales/income from operations (net of excise duty)	43838.85	46981.75	50993.57	90820.60	95264.43	208724.22	
(b) Other operating income	973.07	921.37	2521.86	1894.44	4089.41	6653.67	
Total income from operations (net)	44811.92	47903.12	53515.43	92715.04	99353.84	215377.89	
2. Expenses							
(a) Cost of materials consumed	21638.39	23351.03	26223.47	44989.42	50090.15	103726.82	
(b) Purchases of stock-in-trade	1053.50	1834.76	4509.41	2888.26	6470.93	8653.10	
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2474.13)	(1087.01)	(4839.71)	(3561.14)	(9341.12)	509.27	
(d) Employee benefits expense	4585.04	4177.64	4243.20	8762.68	8031.44	15990.67	
(e) Depreciation and amortisation expense	1602.09	1575.12	1819.50	3177.21	3478.82	6743.00	
(f) Other expenditure	13648.86	13498.98	16349.74	27147.84	30501.10	58670.89	
Total expenses	40053.75	43350.52	48305.61	83404.27	89231.32	194293.75	
3. Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	4758.17	4552.60	5209.82	9310.77	10122.52	21084.14	
4. Other Income	676.02	1099.75	631.87	1775.77	1566.88	3081.13	
5. Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	5434.19	5652.35	5841.69	11086.54	11689.40	24165.27	
6. Finance costs	4334.49	3942.69	4136.30	8277.18	7079.90	14531.62	
7. Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	1099.70	1709.66	1705.39	2809.36	4609.50	9633.65	
8. Tax expense	70.48	522.08	427.49	592.56	1355.20	2366.49	
9. Net Profit / (Loss) from ordinary activities after tax (7 - 8)	1029.22	1187.58	1277.90	2216.80	3254.30	7267.16	
10. Paid-up equity share capital (Face value - Re. 1/-)	3569.55	3569.55	3569.55	3569.55	3569.55	3569.55	
11. Reserves excluding revaluation reserve as per balance sheet of previous accounting year						192831.12	
12. Earnings per share (EPS) for the period, before and after extraordinary items and for the previous year (not annualized):							
Basic (Rs.)	0.29	0.33	0.36	0.62	0.92	2.05	
Diluted (Rs.)	0.29	0.33	0.36	0.62	0.92	2.05	
13. Debt Service Coverage Ratio (DSCR)*				0.48	1.23	1.43	
14. Interest Service Coverage Ratio (ISCR)**				1.46	1.87	1.83	

*DSCR = PBDIT / (Net Finance charges + Scheduled principal repayments (excluding repayments from investment / refinancing) during the period)
**ISCR = PBDIT/Net Finance charges
Net Finance charges: Interest Cost - Interest Income on Fixed Deposit - exchange loss related to interest cost

PART II								
A	PARTICULARS OF SHAREHOLDING	Particulars	Quarter Ended			Half Year Ended		Year Ended
			30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.03.2015
			(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1.	Public shareholding							
	- Number of shares	167723950	167723950	165317718	167723950	165317718	165625950	
	- Percentage of shareholding	46.99%	46.99%	46.31%	46.99%	46.31%	46.40%	
2.	Promoters and Promoter Group Shareholding							
	a) Pledged / Encumbered							
	-Number of shares	32675270	32675270	32675270	32675270	32675270	32675270	
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	17.27%	17.27%	17.27%	17.27%	17.27%	17.27%	
	-Percentage of shares (as a % of the total share capital of the company)	9.15%	9.15%	9.15%	9.15%	9.15%	9.15%	
	b) Non - encumbered							
	-Number of shares	156551102	156551102	156549102	156551102	156549102	156549102	
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	82.73%	82.73%	82.73%	82.73%	82.73%	82.73%	
	-Percentage of shares (as a % of the total share capital of the company)	43.86%	43.86%	43.86%	43.86%	43.86%	43.86%	



NA

Particulars		3 months ended 30.09.2015
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	2
	Disposed off during the quarter	2
	Remaining unresolved at the end of the quarter	Nil

Standalone Statement of Assets and Liabilities (Rs. in lakhs)

Particulars	30.09.2015	31.03.2015	
	(Unaudited)	(Audited)	
A	EQUITY AND LIABILITIES		
	Shareholders' funds		
	(a) Share capital	3569.55	3569.55
	(b) Reserves and surplus	249125.89	246909.09
	Sub total - Shareholders' funds	252695.44	250478.64
	Non-current liabilities		
	(a) Long-term borrowings	119172.02	128437.59
	(b) Deferred tax liabilities (net)	2987.49	3086.72
	(c) Other long-term liabilities	193.81	82.71
	(d) Long-term provisions	1316.88	1298.62
	Sub total - Non-current liabilities	123670.20	132905.64
	Current liabilities		
	(a) Short-term borrowings	86160.29	81019.45
	(b) Trade payables	16796.41	21944.97
	(c) Other current liabilities	38904.29	51943.97
	(d) Short-term provisions	6618.82	7892.06
	Sub total - Current liabilities	148479.81	162800.45
	TOTAL - EQUITY AND LIABILITIES	524845.45	546184.73
B	ASSETS		
	Non-current assets		
	(a) Fixed assets	238726.66	238721.28
	(b) Non-current investments	125863.97	125863.97
	(c) Long-term loans and advances	2106.84	2134.07
	(d) Other non-current assets	351.66	339.68
	Sub total - Non-current assets	367049.13	367059.00
	Current assets		
	(a) Current investments	411.40	715.46
	(b) Inventories	43917.20	49578.56
	(c) Trade receivables	56206.02	58034.76
	(d) Cash and cash equivalents	6335.11	21022.42
	(e) Short-term loans and advances	34655.13	36512.74
	(f) Other current assets	16271.46	13261.79
	Sub total - Current assets	157796.32	179125.73
	TOTAL - ASSETS	524845.45	546184.73



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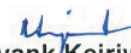
Notes:

1. The above financial results , as reviewed by Audit Committee, were approved by the Board of Directors at their meeting held on November 5, 2015. The above results have been subjected to Limited Review by the Statutory Auditors.
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 has approved the Scheme of Amalgamation (the Scheme) of its wholly owned subsidiary, Mahadev Vyapar Private Limited with the Company with effect from April 01, 2014. No effect of the Scheme pending necessary approvals etc. has been given in the Financial Statements.
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.1,2,884.11 lakhs incurred pertaining to coal block including balances of advances, inventory, land and other fixed assets till March 31, 2015 have been carried forward under capital work in progress and other respective heads of accounts and (ii) Interest and other finance cost for the period from April 01, 2015 onwards against the fund borrowed in this respect amounting to Rs.6,185.53 lakhs has been considered as recoverable under current assets.
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 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. The Joint Lender Forum (JLF) in case of Electrosteel Steels Limited, an associate company has since approved "in principle" the decision for the invocation of Strategic Debt Structuring (SDR) in terms of RBI Guidelines and among other things is exploring the Investment proposals in the said company. The Company's investment being strategic in nature, pending implementation of these measures have been continued to be carried at cost.
6. Subsequent to this Quarter, Electrosteel Bahrain Holding S.P.C. Company, a wholly owned subsidiary of the Company has formed Electrosteel Bahrain Trading W.L.L incorporated in Bahrain, a step down wholly owned subsidiary.
7. Previous periods' figures have been regrouped/rearranged wherever necessary.

For ELECTROSTEEL CASTINGS LIMITED



Kolkata
November 5, 2015


Mayank Kejriwal
Joint Managing Director