



EARNINGS PRESENTATION – Q2 / FY16

Overview

- Electrosteel Castings Ltd. was incorporated in 1955 and is a pioneer in the manufacturing of Ductile Iron Pipes (DI Pipes) in India
- The company's headquarter at Kolkata India, and has three backward integrated manufacturing facilities across India
- The company is listed on both NSE and BSE and with a market capitalization of around INR 6 Bn as on 30 September, 2015.

Business Mix

- **Ductile Iron Pipes (DI)** – Capacity of 280,000 TPA,
- **Cast Iron Pipes (CI)** – Capacity of 90,000 TPA
- **DI Fittings**– Capacity of 12,200 TPA.

Clients

- Various government bodies in India and large marquee companies like Larsen & Toubro, Pratibha Industries etc.
- ECL also has established a strong foothold in the international markets. It caters to a large customer base in 35 countries spread across the Indian subcontinent, South East Asia and the Middle East, Europe, USA, South America and Africa.

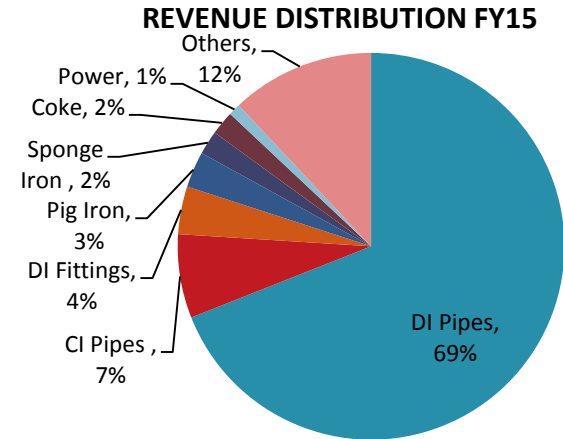
FY15 Financial Highlights

- **Revenue** at INR 21,846 mn*;
- **EBITDA** at INR 3,091 mn; **EBITDA Margin** – 14.15%
- **Net Profit** at INR 727 mn;

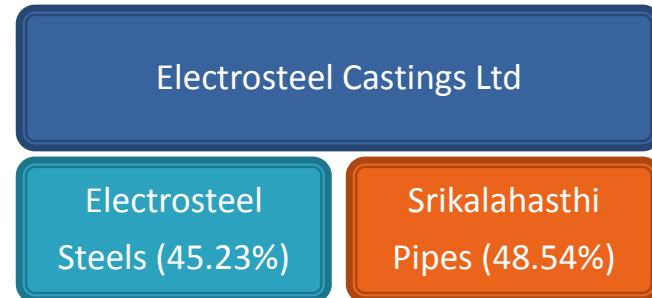
* Including other income

COMPANY OVERVIEW

- Electrosteel Castings Limited was incorporated in the year 1955, and the company setup its first DI Pipes manufacturing facility in 1994, becoming one of the first few manufacturers of DI Pipes in the world.
- The company manufactures Ductile Iron Pipes (DI Pipes), Cast Iron Pipes (CI Pipes) and DI Fittings.
- ECL has a global footprint with an established presence in European Markets, Asia and Middle East, Africa and also exploring into USA.
- The company has backward integration facilities, having it's own iron ore mine in Jharkhand.
- The company has a capacity of 280,000 TPA for DI Pipes, 90,000 TPA for CI Pipes and 12,200 TPA for DI Fittings.



Group Holding Structure



Q2 - FY16 Standalone Performance:

- ▶ Total Income*: INR 4,549 Mn
- ▶ EBITDA: INR 703 Mn
- ▶ EBITDA Margin: 15.45%
- ▶ Net Profit: INR 103 Mn
- ▶ PAT Margin: 2.26%

Q2 - FY16 Key Operational Highlights:

- ▶ Co. reported higher sales volume of DI Pipes in this quarter and half year compared to previous corresponding period.
- ▶ Decline in revenue mainly on account of lower trading sales.
- ▶ Marginal decline in profitability mainly on account of higher interest expense.

** Total Income includes Other Income*

H1 – FY16 Standalone Performance

- ▶ Total Income*: INR 9,449 Mn
- ▶ EBITDA: INR 1,426 Mn
- ▶ EBITDA Margin: 15.09%
- ▶ Net Profit: INR 222 Mn
- ▶ PAT Margin: 2.35%

STANDALONE Q2 FY16 INCOME STATEMENT

Particulars (INR Mn)	Q2 FY16	Q1 FY16	Q-o-Q	Q2 FY15	Y-o-Y
Total Income*	4,549	4,900	(7.16)%	5,415	(15.99)%
Expenses	3,844	4,178	(7.97)%	4,649	(17.29)%
EBITDA	703	722	(2.63)%	766	(8.22)%
EBITDA Margin (%)	15.45%	14.73%	70 bps	14.15%	130 bps
Depreciation	160	157	1.91%	181	(11.60)%
Finance Cost	433	394	9.90%	414	4.59%
PBT	110	171	(35.67)%	171	(35.67)%
Tax	7	52	(86.54)%	43	(83.72)%
PAT	103	119	(13.45)%	128	(19.53)%
PAT Margin (%)	2.26%	2.43%	(6.77)%	2.36%	(4.21)%
EPS	0.29	0.33	(12.1)%	0.36	(19.44)%

*Total Income includes other income

STANDALONE H1 FY16 INCOME STATEMENT

Particulars (INR Mn)	H1 FY16	H1 FY15	Y-o-Y
Total Income*	9,449	10,092	(6.37)%
Expenses	8,023	8,575	(6.44)%
EBITDA	1,426	1,517	(6.00)%
<i>EBITDA Margin (%)</i>	15.09%	15.03%	35 bps
Depreciation	318	348	(8.62)%
Finance Cost	828	708	16.95%
PBT	281	461	(39.05)%
Tax	59	136	(56.62)%
PAT	222	325	(31.69)%
<i>PAT Margin (%)</i>	2.35%	3.22%	(83) bps
EPS	0.62	0.92	(32.61)%

*Total Income includes other income

STANDALONE INCOME STATEMENT

Particulars (INR Mn)	FY12	FY13	FY14	FY15	H1 FY16
Total Income*	19,874	20,296	22,066	21,846	9,449
Expenses	18,099	17,443	18,818	18,755	8,023
EBITDA	1,775	2,853	3,248	3,091	1,426
<i>EBITDA Margin</i>	8.93%	14.06%	14.72%	14.15%	15.09%
Depreciation	543	531	530	674	318
Finance Cost	1,006	1,112	1,358	1,453	828
PBT	226	1,210	1,360	964	281
Tax	-198	238	354	237	59
PAT	424	972	1,006	727	222
<i>PAT%</i>	2.21%	5.02%	4.60%	3.33%	2.35%
EPS	1.3	2.98	3.02	2.05	0.62

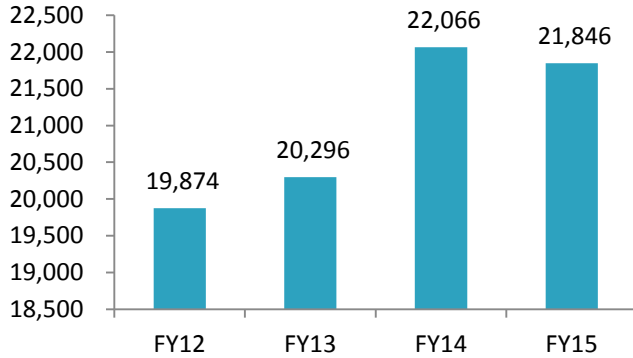
*Total Income includes other income

STANDALONE BALANCE SHEET

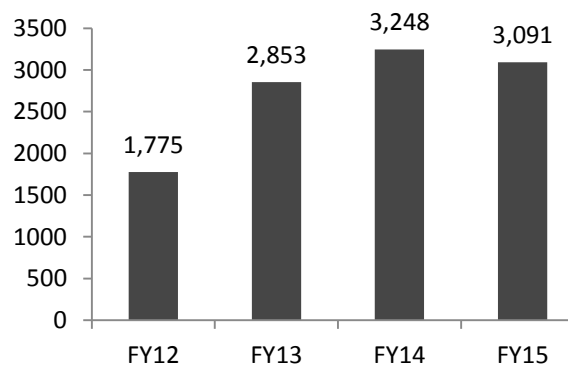
Equity and Liabilities (INR Mn)	FY14	FY15	H1 FY16	Assets (INR Mn)	FY14	FY15	H1 FY16
Shareholders Fund				Non Current Assets			
Share Capital	344	357	357	Fixed Assets			23,873
Reserve and Surplus	24,129	24,691	24,913	Tangible Assets	10,924	11,064	N.A
Share application money pending Allotment	-	-	-	Intangible Assets	22	24	N.A
Total Shareholders Fund	24,472	25,048	25,270	Capital Work in progress	12,108	12,784	N.A
Non Current Liability				Intangible Assets under development	-	-	-
Long term Borrowing	15,155	12,844	11,917	Total Fixed Assets	23,054	23,872	23,873
Deferred Tax Liabilities	351	309	299	Non Current Investments	10,324	12,586	12,586
Other Long term Liabilities	50	8	19	Long Term Loans and Advances	2,887	213	211
Long term provision	151	130	132	Other non-- currents assets	128	34	35
Total Non Current Liability	15,707	13,291	12,367	Current Assets			
Current Liabilities				Current Investments	676	72	41
Short Term Borrowing	6,865	8,102	8,616	Inventories	5,568	4,958	4,392
Trade Payable	3,047	2,194	1,680	Trade Receivable	6,169	5,803	5,621
Other current Liabilities	3,426	5,194	3,890	Cash	2,288	2,102	634
Short Term Provision	563	789	662	Short term loans and Advances	1,924	3,651	3,465
Total Current Liabilities	13,901	16,280	14,848	Other current Assets	1,063	1,326	1,627
Total	54,080	54,618	52,485	Total Current Assets	17,687	17,913	15,780
				Total	54,080	54,618	52,845

STANDALONE FINANCIAL SUMMARY

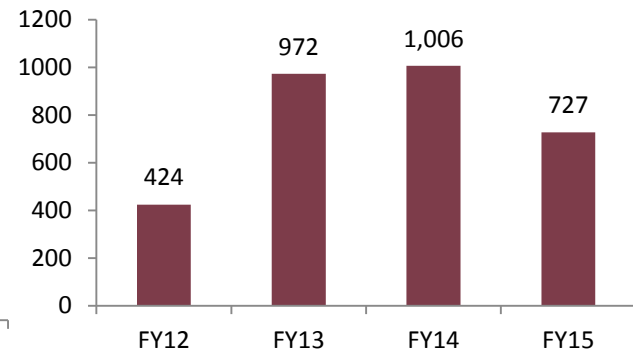
Revenue (INR MN)



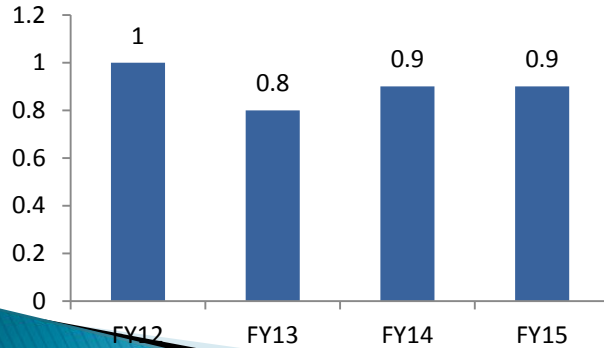
EBITDA (INR MN)



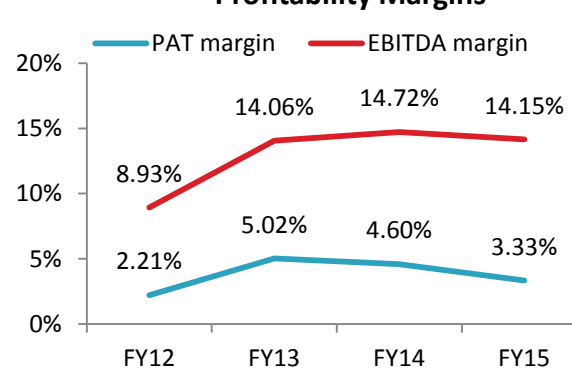
PAT (INR MN)



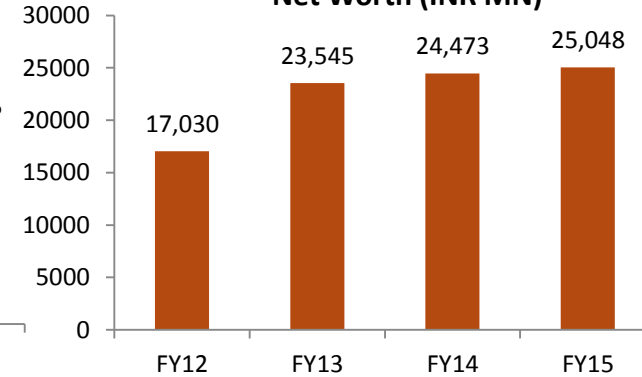
Net D/E



Profitability Margins

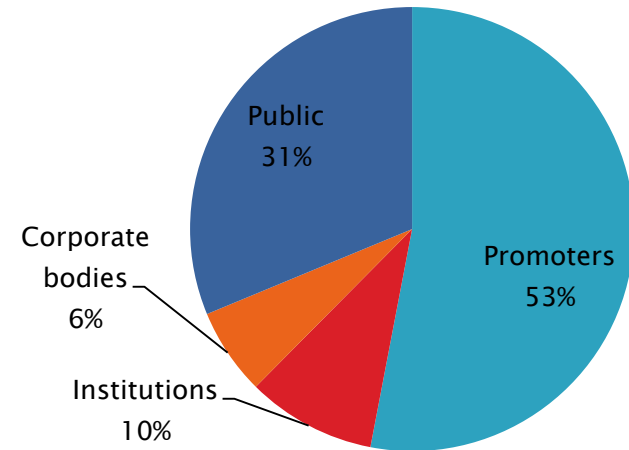


Net Worth (INR MN)



Price Data (As on 30 th September, 2015)	INR
Face Value	1
Market Price	17.5
52 Week H/L	27.20/15.05
Market Cap (INR Mn)	6,122
Equity Shares Outstanding (Mn)	357
1 Year Avg. Trading Volume ('000)	430

Shareholding Pattern



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