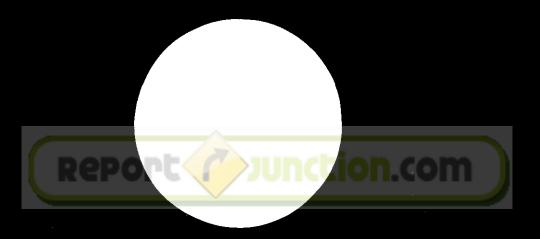
## **TODAY**

**Ductile pipes** help in transporting water safely and efficiently for our everyday use



45th **Annual** Report for shareowners 2000



🗐 Electrosteel Castings Limited



## Contents

Vision and Guiding Principles	2	Shareholder value creation	26
This is Electrosteel Castings	4	Water facts	28
Highlights of 1999-2000	10	Directors' Report	34
Interview with Managing Director	12	Auditors' Report	38
Value added statement	16	Balance Sheet	40
Five year financial summary	17	Profit and Loss Account	41
		Schedules	42-57
Shareholder information	18	Section 212	58
Environment management	22	Subsidiary Account	59-71
Community development	25	Board of Directors	72

product with a life in excess of hundred years.

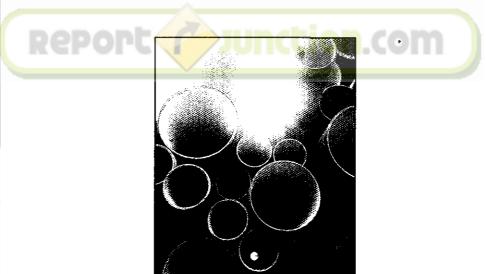
It has been our emphasis to act as evangelists for ductile iron pipes in India. We are positioning it as a



We aim to be
world class,
committed to
customer
satisfaction and
to encourage
the spirit of
leadership
amongst our
dedicated team
by creating a

healthy environment for continuous growth, profit and prosperity





- We strongly abide by integrity in our work. We demand the highest ethical standards of our employees. We will always strive to improve the quality of our products.
- People represent our intellectual capital. Respect for the individual is paramount. We treat our people like members, not employees. We provide an exciting working environment. We recognize that learning is an important part of the growing process.
- We are a highly customer-focused company. This reflects in the product that we make and in the value that we deliver.
- The company's ductile iron plant is the only one of its kind in India. The commissioning and eventual success is the result not of individual brilliance but of a collective initiative.
- Electrosteel's focus is to emerge as a great company with leaders not only at the top, but at every level.
- Performance must speak. To this extent we are a gogetting organization. Within six years, from scratch, we grew the DI pipe market in India to one lac tonnes per annum.
- Electrosteel's world does not end with the perimeter of its office and factory. It extends beyond: to conducting its various manufacturing processes with adequate respect for safety and pollution - free norms
- We do not live for bread alone. The company is committed to contributing meaningfully to the community and society in which it lives.
- The company recognizes its primary obligation to generate a superior return for its shareowners through a prudent strategy, reasonable payouts of dividend and a fair degree of corporate transparency that does not threaten our competitive position in the market place.

## **Guiding principles**

ntegrity

Respect for people

**Customer focus** 

Teamwork

Leadership

Performance

Environment

Community development

Shareholder value

3

Electrosteel Castings brings considerable experience to this business today :

the CI pipe factory was commissioned at Khardah (Bengal)

in 1959; this was followed by the buyout of a closed second - hand CI plant in Chennai.

In 1993-94, the company commissioned India's

to

DI pipe plant

at Khardah with an annual installed capacity of 60,000 tonnes (since increased

tonnes per annum).

The annual CI pipe capacity stands at 1,50,600 tonnes.

# Report Junction.com

What sets Electrosteel apart from the other companies in

the water infrastructure sector is its Successful

backward integration. The company

manufactures pig iron

which is used as the raw material for making DI pipes; the transfer of pig iron in its molten state

for DI pipe making helps Electrosteel SaVE on precious

costs.



#### ANSCO SERVICES - Annual Reports Library Services - www.sansco.net

is is Electrosteel Castings

●► Electrosteel is an ISO 9002 company:

the company is progressing towards.

Electrosteel exports DI pipes to

Singapore, Malaysia, Ethiopia, Qatar,

Bahrain, Bangladesh, Nepal and Sri Lanka, among other countries. A number of projects

awarded to Electrosteel in India were won amidst Stiff

competition.

Electrosteel Castings Limited is the only manufacturer of DI pipes in India; it is also India's largest manufacturer of cast iron (CI) pipes. These pipes are used by public works development agencies to create an effective water management

network across the

country.

Junction.com

The company's **profits** have grown at a CAGR (1996-2000) of

67 per cent; in 1999-2000, turnover was placed

at Rs 527 crore

and profit after tax was Rs 88.72 crore.

The company announced a issue (1:1) in May 2000.

Electrosteel's shares are traded at the Calcutta, Bombay

and the National Stock Exchanges.

The projects and design team at Electrosteel was entrusted with the responsibility of erecting the plant.

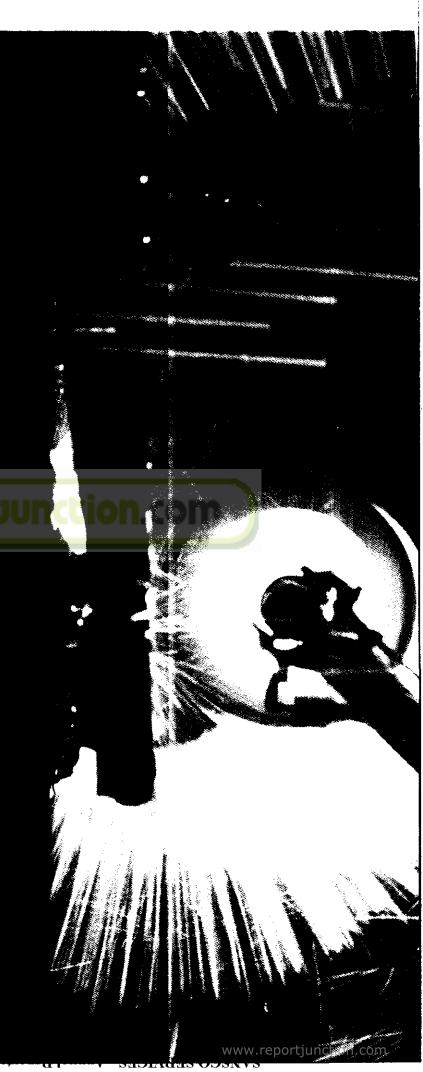
Much of the guarded technology had to be resolved

by the teams working within the company.

Electrosteel's in-house design team set up India's first 60,000 MT DI pipe plant in 1993-94, putting India on the global DI map. Over the years, capacity has been increased to 120,000 tpa. It is due to the diligent working of this team that Electrosteel finds itself as an emerging force in the global market.



improvements. MT through in-house 24.6 per cent to 156461 furnace increased by Production in the blast 74,252 MT to 98,582 MT. Mott beasearoni eaqiq IO increase. Production of use and production consumption, energy bluom to seate been in the specific improvements have technology. The visible mastery of the strengthened its Electrosteel has the last few years, closely guarded, Over ei eaqiq la arutastunsm The technology to



- Production of DI pipes increased from 74252 MT to 98582 MT.
- The production of CI pipes increased from 115691 MT to 133409 MT.
- ♦> Production in the blast furnace increased 24.6 per

cent to 156461 MT through in-house improvements.

- \* The company accessed new exports markets in Malaysia.
- from the Bangalore Water Supply Sewerage Board on a turnkey basis.