

## **TODAY**

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



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**45th  
Annual  
Report  
for  
shareowners  
2000**



**Electrosteel Castings Limited**


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It has been our  
emphasis to act as  
evangelists for  
ductile iron pipes in  
India. We are  
positioning it as a  
product with a life  
in excess of  
hundred years.

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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

# Vision



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- 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 go-getting 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.

**Integrity**

**Respect for people**

**Customer focus**

**Teamwork**

**Leadership**

**Performance**

**Environment**

**Community development**

**Shareholder value**

## Guiding principles

► 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 **first** DI pipe plant  
at Khardah with an annual installed capacity of 60,000 tonnes (since increased  
to tonnes per annum).

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



► 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.**

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.

➤ 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.



➤ 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 1:1 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.**



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The technology to manufacture DI pipes is closely guarded. Over the last few years, Electrosteel has strengthened its mastery of the technology. The visible improvements have been in the specific areas of mould consumption, energy use and production increase. Production of DI pipes increased from 74,252 MT to 98,582 MT. Production in the blast furnace increased by 24.6 per cent to 156461 MT through in-house improvements.



• 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.

• Electrosteel received a Rs. **65** crore order from the Bangalore Water Supply Sewerage Board on a turnkey basis.

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