

MAGNA

MAGNA ELECTRO CASTINGS LIMITED

43, BALASUNDARAM ROAD, COIMBATORE - TN 641 018. INDIA
TEL : (0422) 2240109 2246184 2240487, FAX : (0422) 2246209
E-MAIL : info@magnacast.com
Web : www.magnacast.com
CIN : L31103TZ1990PLC002836



SEC/BSE/007/2016-17

May 28, 2016

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400 001

Kind Attn: Mr. Shyam Bhagirath
Mr. Rakesh Parekh
Scrip Code: 517449

Dear Sir,

Audited Financial Results, Form A & Auditor's Report for the year ended 31st March 2016.

As per Regulation 33 of SEBI(LODR) Regulations, 2015, the audited Financial Results for the year ended 31st March 2016 as approved by the Board of Directors at its meeting held on 28th May 2016 along with Form A and the Auditor's Report is enclosed.

Kindly take this information on record.

Thanking You

For Magna Electro Castings Limited

A handwritten signature in black ink, appearing to read 'Sangeetha C'.

Sangeetha C
Company Secretary

MAGNA ELECTRO CASTINGS LIMITED

Registered office : 43, Balasundaram Road

COIMBATORE 641 018

e-mail: info@magnacast.com; website: www.magnacast.com

CIN : L31103YZ1990PLC002836

Statement of Audited Results for the year ended 31st March 2016

Rs.in Lakhs

S.No.	Particulars	Quarter Ended			Year Ended	
		31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
1	Income from Operations					
	a) Net Sales/Income from Operations	1,931.70	2,189.22	2,555.93	9,215.05	10,022.65
	b) Other Operating Income	44.07	61.95	66.14	128.27	121.24
	Total income from Operations (Net)	1,975.77	2,251.17	2,622.07	9,343.32	10,143.89
2	Expenses					
	a) Cost of Materials Consumed	590.56	662.28	921.5	3,121.27	3,863.02
	b) Purchase of Stock-in-Trade	0.00	0.00	0.00	0.00	0.00
	c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	4.18	22.71	156.64	(27.64)	27.21
	d) Employee benefit expense	212.87	208.05	225.72	837.95	781.93
	e) Depreciation and Amortisation Expense	84.57	126.00	(83.42)	462.57	441.58
	f) Other Expenses	981.26	968.04	1,081.75	3,973.70	4,006.48
	Total	1,873.44	1,987.07	2,302.19	8,367.85	9,120.22
3	Profit / (Loss) from Operations	102.33	264.10	319.88	975.47	1,023.66
4	Other Income	59.24	16.36	13.02	90.29	45.10
5	Profit from Ordinary Activities (3-4) before Finance Costs	161.57	280.46	332.90	1,065.76	1068.76
6	Finance Costs	18.85	35.71	68.22	156.04	231.80
7	Profit / (Loss) from Ordinary Activities (5-6) after Finance Costs	142.71	244.75	264.68	909.72	836.97
8	Exceptional Items	0.00	0.00	0.00	0.00	0.00
9	Profit/(Loss) from Ordinary Activities before Tax (7-8)	142.71	244.75	264.68	909.72	836.97
10	Tax Expense	35.00	75.00	169.12	244.97	294.12
11	Net Profit from Ordinary Activities after Tax (9-10)	107.71	169.75	95.56	664.75	542.84
12	Extraordinary Items (Net of Tax Expense)	0.00	0.00	0.00	0.00	0.00
13	Net Profit for the period (11-12)	107.71	169.75	95.56	664.75	542.84
14	Share of Profit/ (Loss) of Associates*	0.00	0.00	0.00	0.00	0.00
15	Minority Interest*					
16	Net Profit after Taxes	107.71	169.75	95.56	664.75	542.84
17	Paid-up Equity Share Capital (face value at Rs.10 each)	458.22	458.22	458.22	458.22	458.22
18	Reserve Excluding Revaluation Reserves as per Balance Sheet of previous Accounting year				4,188.21	3633.76
19.i	Earnings per Share (before Extraordinary Items) of Rs.10 each					
	a) Basic	2.35	3.70	2.09	14.51	11.85
	b) Diluted	2.35	3.70	2.09	14.51	11.85
19.ii	Earnings per Share (after Extraordinary Items) of Rs.10 each					
	a) Basic	2.35	3.70	2.09	14.51	11.85
	b) Diluted	2.35	3.70	2.09	14.51	11.85

"Segmentwise Revenue, Results and Capital Employed"						
S.No.	Particulars	Quarter Ended			Year Ended	
		31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
1	Segment Revenue					
	a) Foundry	2,035.01	2,227.82	2,635.09	9,433.61	10,188.99
	b) Wind Energy	25.89	39.71	18.72	334.03	362.17
		2,060.90	2,267.53	2,653.81	9,767.64	10,551.15
	Less : Intersegment Revenue	25.89	39.71	18.72	334.03	362.17
	Net Sales/Income from Operations	2,035.01	2,227.82	2,635.09	9,433.61	10,188.99
2	Segment Result					
	a) Foundry	165.09	272.55	357.24	873.16	875.87
	b) Wind Energy	(3.52)	7.91	(24.34)	192.60	192.90
	Total Profit before Interest	161.57	280.46	332.90	1065.76	1,068.76
	Less : Finance Costs					
	a) Foundry	18.85	35.29	64.58	150.81	209.67
	b) Wind Energy	0.00	0.42	3.64	5.23	22.13
	Profit before Tax	142.71	244.75	264.68	909.72	836.97
3	Capital Employed					
	a) Foundry	5,013.41	4,535.57	4,527.59	5,013.41	4,527.59
	b) Wind Energy	446.41	463.48	378.07	446.41	378.07
	Total	5,459.82	4,999.05	4,905.66	5,459.82	4,905.66

The above audited results, duly reviewed by the Audit Committee, has been approved by the Board of Directors at its Meeting held on 28th May 2016.

The Directors have recommended payment of dividend Rs.2.00 per share (@ 20%) on the Equity Share Capital, subject to the approval of the shareholders at the ensuing Annual General Meeting.

The Company operates in two segments namely Manufacture and Sale of Castings and Wind Energy Generation

The Board of Directors declare that the Auditors Report do not contain any qualifications.

The figures of the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.

Figures for the previous year have been reclassified/regrouped wherever necessary.

For Magna Electro Castings Limited


N.Krishna Samraj,
Managing Director.

Place : Coimbatore

Date : 28.05.2016

Statement of Assets & Liabilities

31.03.2016

31.03.2015

A EQUITY AND LIABILITIES

(Rs. In Lakhs)

1 Shareholders funds

a) Share Capital	458.22	458.22
b) Reserves & Surplus	4,188.21	3,633.76
Total	4,646.43	4,091.98

2 Non - Current Liabilities

(a) Long-Term Borrowings	258.70	293.96
(b) Deferred Tax Liabilities (Net)	554.69	519.72
Sub-Total-Non Current Liabilities	813.38	813.67

3 Current Liabilities

(a) Short-Term Borrowings	511.80	1,471.78
(b) Trade Payables	1,253.10	1,364.92
(c) Other Current Liabilities	244.10	340.98
(d) Short Term Provisions	166.20	168.18
Sub-Total-Current Liabilities	2,175.20	3,345.87

TOTAL-EQUITY AND LIABILITIES

7,635.01

8,251.52

B ASSETS

1 Non-Current Assets

(a) Fixed Assets	4,249.31	4,093.81
(b) Long-Term Loans and Advances	223.40	164.32
Total Non Current Assets	4,472.71	4,258.12

2 Current Assets

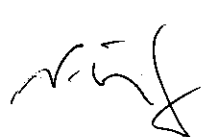

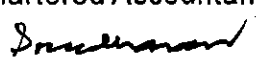
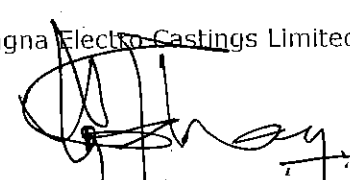
(a) Inventories	608.89	672.08
(b) Trade Receivables	1,908.15	2,494.61
(c) Cash and Cash Equivalents	151.38	134.58
(d) Short Term Loans and Advances	472.35	656.94
(e) Other Current Assets	21.54	35.18
Total Current Assets	3,162.30	3,993.40

TOTAL - ASSETS

7,635.01

8,251.52



1	Name of the company	Magna Electro Castings Limited
2	Annual financial statements for the year ended	31st March 2016
3	Type of Audit observation	Un-Modified
4	Frequency of observation	Not Applicable
5	To be signed by-	
	I) CEO/Managing Director	
	II Chief Financial Officer	
	III Auditor of the company	For S.KRISHNAMOORTHY & CO. Chartered Accountants  K.N.SREEDHARAN Membership No.12026 Partner
	IV Audit Committee Chairman	For Magna Electro Castings Limited  C. R. Swaminathan Chairman- Audit Committee

28.05.2016
Coimbatore

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SEC/BSE/009/2016-17

May 28, 2016

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400 001

Kind Attn: Mr. Shyam Bhagirath
Mr. Rakesh Parekh
Scrip Code: 517449

Dear Sir,

DECLARATION on Auditors' Report with unmodified Opinion under Regulation 33 of SEBI(LODR) Regulations, 2015.

With reference to SEBI's Circular No. CIR/CFD/CMD/56/2016 dated 27.05.2016,

We, Magna Electro Castings Limited hereby declare that Statutory Auditors' Report of our Company issued by M/s. S. Krishnamoorthy & Co. do not contain any qualifications on the audited financial results for the Financial year ended 31st March 2016.

Kindly take this information on record.

For Magna Electro Castings Limited

A handwritten signature in black ink, appearing to be 'R. Ravi'.

R. Ravi
Chief Financial Officer

Independent Auditor's Report

To the Members of Magna Electro Castings Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Magna Electro Castings Limited ('the Company'), which comprise the balance sheet as at 31 March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, and ensuring their operating effectiveness for the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

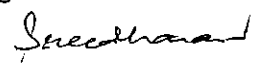
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) in the case of Statement of Profit and Loss, the Profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S.Krishnamoorthy & Co.
Chartered Accountants
Firm Registration No.0014965



K.N.Sreedharan
Partner, Auditor
Membership No.012026

Place: Coimbatore
Date: 28.05.2016

The Annexure A referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements

In terms of the information and explanations sought by us and given by the Company and the books examined by us during the course of our Audit and to the best of our knowledge and belief we report the following:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As per the information and explanations given to us, the fixed assets of the company have been physically verified by the management during the year at reasonable intervals having regard to size of the company and nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties of the company shown under the Fixed Assets schedule are held in the name of the company.

(ii) The stocks of finished goods, stores, spares and raw materials of the Company have been physically verified by the management during the year at reasonable intervals. In our opinion the frequency of such verification is reasonable and no material discrepancies were noticed.

(iii) The Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) The company has not granted any loan to directors or to any other person in whom the director is interested or given any guarantee or provided any security in connection with any loan taken by the director or such other person as contemplated in section 185 of the Act. The company has also not given any loan or made any investment as contemplated under section 186 of the Act.

(v) The company has not accepted any deposits to which the provisions of sec.73 to 76 or any other relevant provisions of the act and the rules framed there under and the directions issued by the RBI are applicable.

(vi) We have broadly reviewed the books of accounts maintained by the company pursuant to the Rules made by the central government for the maintenance of cost records u/s. 148 of the act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or not.

(vii) (a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Customs Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities.

(b) According to the information and explanations given to us, there are no dues of Sales tax, Wealth tax, Customs Duty, Excise Duty, Cess and which have not been deposited with the appropriate authorities on account of any dispute. The particulars of Income Tax which have not been deposited on account of a dispute are as follows:

Name of statute	Nature of the dues	Amt. as on 31.03.2016 (in Rs.)	Period to which the amt. relates	Forum where the dispute is pending	Remarks
Income Tax Act, 1961	Regular	4,32,198	Asst. Year 2007-2008	CIT (A)	-

(viii) Based on our audit procedure, we are of the opinion that the company has not defaulted in the repayment of dues to its bank, financial institution, Government or Debenture holders.

(ix) The company has not availed any term loan or raised money by initial public offer or further public offer (including debt instruments) during the year.

(x) Based upon the audit procedures performed and information and explanation given by the management, no frauds by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us, and based on our examination of records of the company, the company has paid/provided for managerial remuneration in accordance with the requisite approval mandated by the provisions of section 197 read with Schedule V of the act.

(xii) In our opinion and according to the information and explanations given to us, the company is not a nidhi company.

(xiii) In our opinion and based on our examination of records of the company, transactions with the related parties are in compliance with sec. 177 and sec. 188 of the Act. Details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, and based on our examination of records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us, and based on our examination of the records of the company, the company has not entered into non cash transactions with directors or persons connected with them.

(xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **S.Krishnamoorthy & Co.**
Chartered Accountants
Firm Registration No.001496S



K.N.Sreedharan
Partner, Auditor
Membership No.012026

Place: Coimbatore
Date: 28.05.2016

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Magna Electro Castings Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.Krishnamoorthy & Co.
Chartered Accountants
Firm Registration No.001496S



K.N.Sreedharan

Partner, Auditor

Membership No.012026

Place: Coimbatore

Date: 28.05.2016