



# SRIKALAHASTHI PIPES LIMITED

(Formerly Lanco Industries Limited)



Regd. Office & Works: Rachagunneri-517641, Srikalahasthi Mandal, Chittoor District, A.P.,  
Ph.:08578 286650 to 55; Fax: 286657/88 Website : www.srikalahasthipipes.com, CIN :  
L74999AP1991PLC013391

LIL/SECY/SE/2014-15

January 30, 2015

The Manager-Dept. of Corporate Services

**Bombay Stock Exchange Limited**

Regd. Off: Floor 25, P.J.Towers

Dalal Street

Mumbai – 400 001

Fax: 022- 22723121/ 2272 2037

The Manager-Dept. of Corporate Services

**National Stock Exchange of India Ltd.**

Exchange Plaza, Bandra Kurla Complex, Bandra (E)

Mumbai – 400 051

Fax: 022- 26598120/ 26598237/38

Dear Sir,

## **Sub: Board Meeting of the Company held on 30<sup>th</sup> January, 2015**

The Board in its meeting held today has taken on record the Un-audited financial results for the quarter ended 31<sup>st</sup> December, 2014, which are enclosed herewith along with Limited Review Report of the Auditors, for your information and records.

We are also enclosing herewith a copy of the Media Release issued by the Company in connection with the Board Meeting of the Company held today.

Thanking you,

Yours faithfully,

For **SRIKALAHASTHI PIPES LIMITED**

**A.R.SURANA**

**Sr.General Manager - Finance  
& Company Secretary**



**INDEPENDENT AUDITOR'S REVIEW REPORT**


To  
The Board of Directors  
**SRIKALAHASTHI PIPES LIMITED** (formerly known as LANCO INDUSTRIES LIMITED)

We have reviewed the accompanying statement of unaudited financial results of **SRIKALAHASTHI PIPES LIMITED** (formerly known as LANCO INDUSTRIES LIMITED) ("the Company") for the Quarter ended December 31, 2014 ("the Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding', which are as per the disclosures made by the management and have not been reviewed by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to issue a report on these financial statements based on our review.

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 of interim financial information 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended) which continue to apply as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, and other recognised accounting practices and policies 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 : Chennai  
Date : January 30, 2015

  
P. R. SATISH  
Partner  
Membership No. 219432  
For and on behalf of  
K. R. BAPUJI & CO.  
Chartered Accountants  
Firm Registration No.000395S



# SRIKALAHASTHI PIPES LIMITED

(Formerly Lanco Industries Limited)

Regd. Office & Works: Rachagunneri-517641, Srikalahasthi Mandal, Chittoor District, Andhra Pradesh

CIN : L74999AP1991PLC013391 Website : www.srikalahasthipipes.com

## STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST DECEMBER '14

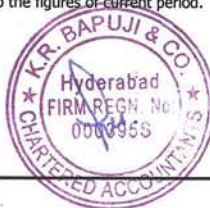
PART I		All amounts in Indian Rupees Lakhs Except Share Data					
Sl No.	Particulars	Quarter Ended			Nine Months Ended		Previous year
		31.12.2014 (Unaudited)	30.09.2014 (Unaudited)	31.12.2013 (Unaudited)	31.12.2014 (Unaudited)	31.12.2013 (Unaudited)	31.03.2014 (Audited)
1	<b>Income from operations</b>						
	a. Net Sales/Income from operations (Net of excise duty)	30,801.51	25,713.01	25,676.40	78,212.01	73,962.89	98,721.67
	b. Other Operating Income	-	-	-	-	217.89	217.89
	<b>Total Income from operations (Net)</b>	<b>30,801.51</b>	<b>25,713.01</b>	<b>25,676.40</b>	<b>78,212.01</b>	<b>74,180.78</b>	<b>98,939.56</b>
2	<b>Expenses:</b>						
	(a) Cost of materials consumed	14,231.78	13,151.28	14,806.62	37,612.58	39,054.76	54,436.78
	(b) Purchases of traded goods	3,974.87	5.00	-	4,110.88	5,499.09	5,503.70
	(c) Changes in inventories of finished goods and work-in-progress	(60.30)	337.46	(170.72)	507.22	(782.81)	(1,440.22)
	(d) Employee benefits expense	1,267.22	1,175.93	1,162.37	3,707.16	3,292.11	4,436.27
	(e) Depreciation and amortisation expense	671.40	681.89	679.94	2,001.91	2,065.82	2,794.28
	(f) Other expenses	6,464.50	6,645.12	6,605.21	19,387.26	18,437.72	24,301.55
	<b>Total Expenses</b>	<b>26,549.48</b>	<b>21,996.68</b>	<b>23,083.42</b>	<b>67,327.02</b>	<b>67,566.68</b>	<b>90,032.36</b>
3	<b>Profit / (Loss) from operations before other income and finance costs (1-2)</b>	<b>4,252.03</b>	<b>3,716.33</b>	<b>2,592.98</b>	<b>10,884.99</b>	<b>6,614.09</b>	<b>8,907.20</b>
4	Other income	184.20	128.42	158.17	446.90	506.83	724.06
5	<b>Profit from ordinary activities before finance costs (3 + 4)</b>	<b>4,436.23</b>	<b>3,844.75</b>	<b>2,751.15</b>	<b>11,331.89</b>	<b>7,120.92</b>	<b>9,631.26</b>
6	Finance costs	1,323.91	1,079.82	1,741.14	3,613.82	4,605.33	5,489.61
7	<b>Profit / (Loss) from ordinary activities after finance costs but before tax expense (5-6)</b>	<b>3,112.32</b>	<b>2,764.93</b>	<b>1,010.01</b>	<b>7,718.07</b>	<b>2,515.60</b>	<b>4,141.65</b>
8	Tax expense	974.71	931.66	127.42	2,462.94	306.79	271.62
9	<b>Net Profit / (Loss) from ordinary activities after tax (7 - 8)</b>	<b>2,137.61</b>	<b>1,833.27</b>	<b>882.59</b>	<b>5,255.13</b>	<b>2,208.81</b>	<b>3,870.03</b>
10	Paid-up equity share capital (Face Value Rs.10/- per Share)	3,976.36	3,976.36	3,976.36	3,976.36	3,976.36	3,976.36
11	Reserves Excluding Revaluation Reserves						18,572.05
12	<b>Basic &amp; Diluted Earnings Per Share (in Rupees)</b>	<b>5.38</b>	<b>4.61</b>	<b>2.22</b>	<b>13.22</b>	<b>5.55</b>	<b>9.73</b>

### PART II

A PARTICULARS OF SHAREHOLDING							
1	Public Shareholding						
	- No. of shares	19570417	19570417	19570417	19570417	19570417	19570417
	- Percentage of shareholding	49.22	49.22	49.22	49.22	49.22	49.22
2	Promoters and promoter group Shareholding						
	a) Pledged/Encumbered						
	- Number of shares	NIL	NIL	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total share capital of the company)	NIL	NIL	NIL	NIL	NIL	NIL
	b) Non-encumbered						
	- Number of Shares	20193178	20193178	20193178	20193178	20193178	20193178
	- Percentage of shares ( as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	50.78	50.78	50.78	50.78	50.78	50.78
B	Investors Complaints						
	Quarter ended 31.12.2014	Beginning	Received	Disposed off	Remaining unresolved		
		Nil	7	7	Nil		

#### Notes:

- 1 The above results were reviewed by the Audit Committee and taken on record by the Board of Directors in its meeting held on 30th January, 2015.
- 2 The Company has only "Pipes" as a significant reportable segment.  
Finance cost includes loss of Rs 177.45 Lakhs on account of foreign exchange fluctuations for quarter ended 31.12.2014 (Rs 3.61 Lakhs gain during the quarter ended 30.09.2014 & Rs 79.17 Lakhs loss during the quarter ended 31.12.2013).
- 3 Depreciation on Fixed Assets has been charged in accordance with Schedule II of the Companies Act, 2013.
- 4 The Auditors of the Company have carried out a Limited Review of the aforesaid financial results for the quarter ended 31st December, 2014 in terms of Clause 41 of the Listing Agreement with Stock Exchanges.
- 5 Figures of the previous period are re-arranged wherever necessary to conform to the figures of current period.



For SRIKALAHASTHI PIPES LIMITED

  
 S.Y. Rajagopalan  
 Director

Place : Chennai.  
Date : 30th January, 2015.



# SRIKALAHASTHI PIPES LIMITED

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E-mail : homarketing@srikalahasthipipes.com

**January 30, 2015**

## **PRESS RELEASE**

The Board of Directors of Srikalahasthi Pipes Limited (Formerly Lanco Industries Ltd) has declared its results on 30<sup>th</sup> January, 2015 for the 3<sup>rd</sup> quarter ended 31<sup>st</sup> December, 2014.

The company's profit before tax for the quarter ended 31<sup>st</sup> December, 2014 is Rs.3112.32 Lakhs and nine months ended 31<sup>st</sup> December, 2014 is Rs.7718.07 lakhs. The profit before tax for the corresponding quarter ended 31<sup>st</sup> December, 2013 was Rs.1010.01 Lakhs and nine months ended 31<sup>st</sup> December, 2014 was Rs. 2515.60 Lakhs.

The company's profit after tax for the quarter ended 31<sup>st</sup> December, 2014 is Rs.2137.61 Lakhs and nine months ended 31<sup>st</sup> December, 2014 is Rs.5255.13 lakhs. The profit after tax for the corresponding quarter ended 31<sup>st</sup> December, 2013 was Rs.882.59 Lakhs and nine months ended 31<sup>st</sup> December, 2014 was Rs. 2208.81 Lakhs.

Mr G S Rathi, Director, informed that the company's expansion program of Rs.100 Crores for creating the balancing facilities is as per schedule and the same would be completed by March 2015. This will result in increase of company's Ductile Iron Pipe production by 50000 MT. Mr. Rathi further informed that the company is pursuing vigorously cost reduction measures to remain competitive in the market.

Mr Rathi, further informed that the Company is exploring possibilities of diversifying into alternative high value added related products besides smaller dia Ductile Iron Pipe and also is exploring possibilities of suitable Joint Venture proposal to utilize the surplus liquid metal.

For SRIKALAHASTHI PIPES LIMITED



(G.S.RATHI)  
DIRECTOR

### **Regd. Office & Works :**

Rachagunneri - 517 641, Srikalahasthi Mandal, Chittoor District, Andhra Pradesh, India.

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