



LANCO INDUSTRIES LIMITED

Regd. Office & Works: Rachagunneri-517641, Srikalahasthi Mandal,
Chittoor District, A.P., Ph.:08578 287650 to 55; Fax: 287657/88
Website : www.lancoindustries.com, CIN : L74999AP1991PLC013391



LIL/SECY/SE/2014-15

28th July, 2014

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 28th July, 2014.

The Board in its meeting held today has taken on record the Un-audited financial results for the quarter ended 30th June, 2014, which are enclosed herewith along with Limited Review Report of the Auditors, for your information and records.

The Board has also approved capex plan of Rs.325 crores to set up a Small Dia Pipe (SDP) Plant of 1,00,000 TPA for sizes ranging 100mm to 300mm dia with increased capacity of Blast Furnace and other facilities.

The Board has approved the change of name of the company from LANCO INDUSTRIES LIMITED to SRIKALAHASTI PIPES LIMITED which is subject to shareholder's approval in general meeting and other statutory approval.

Thanking you,

Yours faithfully,

For LANCO INDUSTRIES LTD

A.R.SURANA

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

1-65/29, PLOT NO. 29, KAVURI HILLS, EXTENSION OF ROAD NO. 36, JUBILEE HILLS,
OPP. MOSAICA INTERNATIONAL SCHOOL, GUTTALABEGAMPET, MADHAPUR,
HYDERABAD - 500081.

INDEPENDENT AUDITOR'S REVIEW REPORT

To
The Board of Directors
LANCO INDUSTRIES LIMITED

We have reviewed the accompanying statement of unaudited financial results of **Lanco Industries Limited** ("the Company") for the Quarter ended June 30, 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 : July 28, 2014



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

LANCO INDUSTRIES LIMITED

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

CIN : L74999AP1991PLC013391 Website : www.lancoindustries.com

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE '14

PART I		All amounts in Indian Rupees Lakhs Except Share Data			
Sl No.	Particulars	3 months ended 30/06/2014 (Unaudited)	Preceding 3 months ended 31/03/2014 (Audited)	Corresponding 3 months ended in the previous year 30/06/2013 (Unaudited)	Previous year ended 31/03/2014 (Audited)
1	Income from operations				
	a. Net Sales/Income from operations (Net of excise duty)	21,697.49	24,758.78	21,881.56	98,721.67
	b. Other Operating Income	-	-	217.89	217.89
	Total income from operations (Net)	21,697.49	24,758.78	22,099.45	98,939.56
2	Expenses:				
	(a) Cost of materials consumed	10,229.52	15,382.02	9,004.58	54,436.78
	(b) Purchases of traded goods	131.01	4.61	3,010.34	5,503.70
	(c) Changes in inventories of finished goods and work-in-progress	230.06	(657.41)	1,576.83	(1,440.22)
	(d) Employee benefits expense	1,264.01	1,144.16	1,022.49	4,436.27
	(e) Depreciation and amortisation expense	648.62	728.46	693.59	2,794.28
	(f) Other expenses	6,277.64	5,863.83	5,052.23	24,301.55
	Total Expenses	18,780.86	22,465.68	20,360.06	90,032.36
3	Profit from operations before other income and finance costs (1-2)	2,916.63	2,293.10	1,739.39	8,907.20
4	Other income	134.28	217.22	206.65	724.06
5	Profit from ordinary activities before finance costs (3 + 4)	3,050.91	2,510.33	1,946.03	9,631.26
6	Finance costs	1,210.09	884.28	1,442.26	5,489.61
7	Profit / (Loss) from ordinary activities after finance costs but before tax expense (5-6)	1,840.82	1,626.05	503.77	4,141.65
8	Tax expense	556.57	(35.17)	153.50	271.62
9	Net Profit / (Loss) from ordinary activities after tax (7 - 8)	1,284.25	1,661.22	350.27	3,870.03
10	Paid-up equity share capital (Face Value Rs.10/- per Share)	3,976.36	3,976.36	3,976.36	3,976.36
11	Reserves Excluding Revaluation Reserves				18,572.05
12	Basic & Diluted Earnings Per Share (in Rupees)	3.23	4.18	0.88	9.73

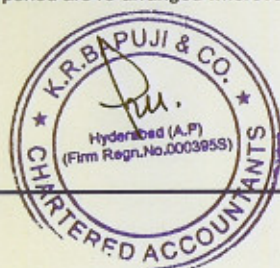
PART II

A	PARTICULARS OF SHAREHOLDING				
1	Public Shareholding				
	- No. of shares	19570417	19570417	19570417	19570417
	- Percentage of shareholding	49.22	49.22	49.22	49.22
2	Promoters and promoter group Shareholding				
	a) Pledged/Encumbered				
	- Number of shares	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total share capital of the company)	NIL	NIL	NIL	NIL
	b) Non-encumbered				
	- Number of Shares	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
	- Percentage of shares (as a % of the total share capital of the company)	50.78	50.78	50.78	50.78
B	Investors Complaints	3 months ended 30/06/2014			
	Beginning	Nil			
	Received	1			
	Disposed off	1			
	Lying unresolved	Nil			

Notes:-

- The above results were reviewed by the Audit Committee and taken on record by the Board of Directors in their meeting held on 28th July, 2014.
- The Company has only "Pipes" as a significant reportable segment.
- Finance cost includes gain on account of foreign exchange fluctuations of Rs 1.09 Lakhs (Rs 221.47 Lakhs loss during the corresponding quarter ended 30.06.2013 and Rs.571.59 lacs gain for quarter ended 31.03.2014)
- The Depreciation for the quarter ended June 30, 2014 has been charged as per the revised requirement under the Companies Act, 2013 with effect from April 01, 2014. The amount of depreciation is lower by Rs. 40.11 lacs, consequent to such change.
- The Auditors of the Company have carried out a Limited Review of the aforesaid financial results for the quarter ended 30th June, 2014 in terms of Clause 41 of the Listing Agreement with Stock Exchanges.
- Figures of the previous period are re-arranged wherever necessary to conform to the figures of current period.

Place: Chennai
Date: 28th July, 2014



For Lanco Industries Limited

S.Y. Rajagopalan
Director



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PRESS RELEASE

MAJOR EXPANSION PLAN ADDING - FINANCIAL RESULTS –CHANGE OF NAME OF THE COMPANY

Lanco Industries Limited (LIL), is a leading manufacturers of **Ductile Iron Pipe** in South India and an associate company of Electrosteel Castings Limited (ECL) Group. LIL's backward and forward integrated industrial complex, is spread over 350 Acres of land near Srikalahasthi, Andhra Pradesh. Besides manufacturing **Ductile Iron Pipe** it has backward integration facilities that include Coke Oven Plant, Power Plant, Sinter Plant, Mini Blast Furnace and Cement Plant.

MAJOR EXPANSION PLAN

Mr G S Rath, Director, informed that the Board of directors at their meeting today has approved a major expansion plan to manufacture Smaller Dia Ductile Iron Pipes (SDP) in the size range of 100mm to 300 mm dia with a capacity of 1,00,000 TPA by investing Rs.325 Crores. This investment includes increase in capacity of the MBF from 250 Cubic meter to 280 Cubic meter and other facilities suitably. The entire project would be funded by an optimum combination of internal accruals and debt. The company's Ductile Iron Plant production capacity shall thus increase to 325000 TPA. Mr. G S Rath also informed that the expansion program would be completed in 18 months and would be in place by March, 2016. With this increased capacity the company will fully meet the requirement of smaller dia ductile iron pipes of all Water Boards, Public Health Engineering Departments (PHEDs), Corporations and other water infrastructure projects of various Institutions in Sothern and Western region of the country.

With regard to the ongoing projects to increase the production in existing Ductile Iron Pipe Plant by 50000 TPA, Mr. G. S Rath, said that the company 's Capex plan of Rs.100 Crores is in advanced stage and is expected to be operational by January 2015.

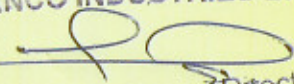
FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2014

During the quarter under review the Company registered a pre-tax profit of Rs. 18.41 crores and PAT of Rs.12.84 crores as against a pre-tax profit of Rs.5.03 crores and PAT of Rs.3.50 crores in the corresponding quarter ended 30th June 2013. The company's sale from Ductile Iron Pipe (DIP) increased to 36908 MT for the quarter under review as compared to 34637 MT for the corresponding quarter of the previous year. Further, the coke production and power generation were higher at 31274 MT and 210 Lakh units during the quarter as against 26676 MT and 188 Lakh units for the corresponding quarter of the previous year.

CHANGE OF NAME OF COMPANY

The Board has approved the change of name of the company from LANCO INDUSTRIES LIMITED to SRIKALAHASTI PIPES LIMITED which is subject to shareholder's approval in general meeting and other statutory approval.

For LANCO INDUSTRIES LTD.


Director