LANCO
INSPIRING GROWTH

LANCO INDUSTRIES LIMITED

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

ISO 9001 REGISTERED

LIL/SECY/SE/2013-14

28th October, 2013

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 October, 2013.

The Board in its meeting held today has taken on record the Un-audited financial results for the quarter ended 30th September, 2013, which are enclosed herewith along with Limited Review Report of the Auditors, for your information and records.

Thanking you,

Yours faithfully,
For LANCO INDUSTRIES LTD

ATOSH R SURANA
Sr.General Manager - Finance
& Company Secretary

K.R. BAPUJI & CO.
CHARTERED ACCOUNTANTS

LIMITED 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 September 30, 2013 ("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) 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 : October 28, 2013

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

H.O: Flat No. 204, Vijaya Shree Apartments, Nagarjuna Nagar, Ameerpet, Hyderabad - 500 073.
Phone: +91 40 23741323 - 23743196 - 23746719, Fax: +91 40 - 40034465 Email: krbapujico@yahoo.co.in
B.O : 1401, Tower 11, Orchid Petals, Sector 49, Gurgaon -122 002.

LANCO INDUSTRIES LIMITED

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

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPTEMBER '13

PART I — All amounts in Indian Rupees Lakhs Except Share Data

Sl No.	Particulars	Quarter Ended			Half Year Ended		Previous year
		30.09.2013	30.06.2013	30.09.2012	30.09.2013	30.09.2012	31.03.2013
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	**Income from operations**						
	a. Net Sales/Income from operations (Net of excise duty)	26,404.94	21,881.56	21,851.82	48,286.49	41,646.73	85,744.23
	b. Other Operating Income	(0.00)	217.89	(0.00)	217.89	420.14	644.70
	Total income from operations (Net)	26,404.93	22,099.45	21,851.82	48,504.38	42,066.87	86,388.93
2	**Expenses:**						
	(a) Cost of materials consumed	15,243.56	9,004.58	16,061.72	24,248.14	31,127.63	56,871.04
	(b) Purchases of traded goods	2,488.75	3,010.34	2.27	5,499.09	1,038.37	1,038.37
	(c) Changes in inventories of finished goods and work-in-progress	(2,188.92)	1,576.83	68.68	(612.09)	(1,897.31)	866.53
	(d) Employee benefits expense	1,107.25	1,022.49	939.14	2,129.74	1,886.77	3,798.94
	(e) Depreciation and amortisation expense	692.29	693.59	524.29	1,385.88	1,044.30	2,218.42
	(f) Other expenses	6,780.28	5,052.23	4,514.44	11,832.51	8,322.06	18,688.91
	Total Expenses	24,123.20	20,360.06	22,110.54	44,483.27	41,521.83	83,482.21
3	**Profit / (Loss) from operations before other income and finance costs (1-2)**	2,281.73	1,739.39	(258.73)	4,021.12	545.04	2,906.72
4	Other income	142.01	206.65	266.41	348.66	358.88	1,002.43
5	**Profit from ordinary activities before finance costs (3 + 4)**	2,423.74	1,946.03	7.69	4,369.78	903.92	3,909.15
6	Finance costs	1,421.92	1,442.26	1,501.61	2,864.18	3,168.35	6,041.80
7	**Profit / (Loss) from ordinary activities after finance costs but before tax expense (5-6)**	1,001.83	503.77	(1,493.92)	1,505.60	(2,264.43)	(2,132.65)
8	Tax expense	25.87	153.50	(298.78)	179.37	(452.89)	(823.03)
9	**Net Profit / (Loss) from ordinary activities after tax (7 - 8)**	975.96	350.27	(1,195.14)	1,326.23	(1,811.54)	(1,309.62)
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**						15,400.51
12	**Basic & Diluted Earnings Per Share (in Rupees)**	2.45	0.88	(3.01)	3.34	(4.56)	(3.29)

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 promotor 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 30.09.2013	Beginning	Received	Disposed off	Remaining unresolved
		Nil	2	2	Nil

Statement of Assets and Liabilities

	Particulars	30.09.2013 (Unaudited)	31.03.2013 (Audited)
A	**EQUITY AND LIABILITIES**		
1	**Shareholders' funds**		
	(a) Share capital	3,976.36	3,976.36
	(b) Reserves and surplus	16,726.74	15,400.51
	Shareholders' funds	**20,703.10**	**19,376.87**
2	**Non-current liabilities**		
	(a) Long-term borrowings	14,958.05	15,065.58
	(b) Deferred tax liabilities (net)	2,949.59	2,770.22
	(c) Other long-term liabilities	7,844.53	7,403.56
	(d) Long-term provisions	146.68	146.68
	Non-current liabilities	**25,898.85**	**25,386.04**
3	**Current liabilities**		
	(a) Short-term borrowings	31,054.95	27,670.82
	(b) Trade payables	15,025.75	10,479.90
	(c) Other current liabilities	6,423.80	7,372.74
	(d) Short-term provisions	364.22	274.20
	Current liabilities	**52,868.72**	**45,797.66**
	TOTAL - EQUITY AND LIABILITIES	**99,470.67**	**90,560.57**
B	**ASSETS**		
1	**Non-current assets**		
	(a) Fixed assets		
	(i) Tangible assets	45,118.71	44,029.70
	(ii) Intangible assets	107.68	107.68
	(iii) Capital work-in-progress	2,622.80	1,701.64
		47,849.19	**45,839.02**
	(b) Long-term loans and advances	6,520.69	6,520.20
	Non-current assets	**54,369.88**	**52,359.22**
2	**Current assets**		
	(a) Inventories	20,202.50	20,826.10
	(b) Trade receivables	18,098.57	11,942.71
	(c) Cash and cash equivalents	1,091.68	1,020.62
	(d) Short-term loans and advances	3,373.93	1,385.25
	(e) Other current assets	2,334.11	3,026.67
	Current assets	**45,100.79**	**38,201.35**
	TOTAL - ASSETS	**99,470.67**	**90,560.57**

Notes:-

1) The above results were reviewed by the Audit Committee and taken on record by the Board of Directors in their meeting held on 28th October, 2013.

2) The Company has only "Pipes" as a significant reportable segment.

3) Finance cost includes loss of Rs 121.97 Lakhs on account of foreign exchange fluctuations for the quarter ended 30.09.2013 (Rs 221.47 Lakhs Loss during the quarter ended 30.06.2013 & Rs 41.33 Lakhs Loss during the quarter ended 30.09.2012)

4) The Auditors of the Company have carried out a limited review of the aforesaid financial results for the quarter ended 30th September, 2013 in terms of Clause 41 of 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 Lanco Industries Limited

S.Y.Rajagopalan
Director

Place : Chennai
Date : 28th October, 2013

CHARTERED ACCOUNTANTS * K.R.BAPUJI & CO. * Hyderabad (A.P.) (Firm Regn.No.000365S)