



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



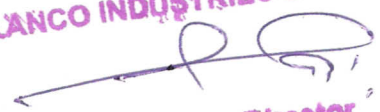
FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED 31.03.14

PRESS RELEASE

Lanco Industries Limited (LIL), is a leading manufacturers of Ductile Iron Spun Pipe in the country, an associate company of Electrosteel Castings Limited (ECL). LIL's backward and forward integrated industrial complex, spread over about 300 Acres of land near Srikalahasthi, include Coke Oven Plant, Power Generation Unit, Mini Blast Furnace, (D.I.Pipe plant, and Mini Cement Plant. The company is also equipped with cost reduction facilities i.e. sinter plant, hot stoves in MBF.

The Company's gross annual revenue has for the first time crossed the Rs.1,000 crore turnover mark in FY 2013-14 and the company has achieved Gross operating revenue of Rs.1,037 Crores for the year ended 31st March, 2014, vis-à-vis Rs.897.62 Crores reported for FY 2012-13.

The Profit before Tax (PBT) for FY 2013-14 stood at Rs.41.42 Crores as against a loss of Rs.21.33 Crores in FY 2012-13. The Profit After Tax (PAT) for FY 2013-14 is reported at Rs.38.70 Crores. The company has registered a Net Sale of Rs.247.59 Crores and a PBT of Rs.16.61 Crores for the quarter ended 31st March, 2014, as against corresponding Net Sales of Rs.232.85 Crores and PBT of Rs.14.13 Crores for quarter ended 31st March 2013. The EBITDA margin of the company stands increased at 12.56% in F.Y.2013-14 vs. 7.09% in F.Y..2012-13.

For **LANCO INDUSTRIES LTD**

Director



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The company has come back to dividend paying track with the Board of Directors of the Company recommending a dividend of Rs.1.50 per share in their Meeting held on 3rd May, 2014 for FY 2013-14.

On the future prospects of the Company, Mr G S Rathi, Director, said that the company has a comfortable order booking position for the current year. **The company has embarked an investment of Rs.100 Crores by way of capital expenditure to improve the quality and production level of Ductile Iron Pipes. He added that this will result in increased production of Ductile Iron Pipes by 50000 MT per annum.** This investment will also enable the company to enter into export market. The project is funded by term loan and internal accruals.

He further added that the availability of Iron ore is expected to improve in Karnataka resulting from the judgment of Supreme Court.

He further expressed that barring unforeseen circumstances, on completion of these investments in 2014, the benefits of higher production shall accrue from last quarter of current financial year to the company.

For LANCO INDUSTRIES LTD

Director