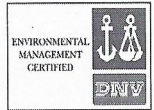
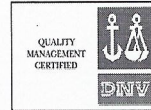




# SRIKALAHASTHI PIPES LIMITED

(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

SPL/SECY/SE/2017-18

10<sup>th</sup> August, 2017

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

Scrip Code : 513605

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

Symbol : SRIPIPES

Dear Sir,

## **Sub: Outcome of the Board Meeting of the Company held on 10<sup>th</sup> August, 2017**

The Board at its meeting held today has taken on record the Un-audited financial results for the quarter ended 30<sup>th</sup> June, 2017. Pursuant to Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we enclose herewith the Un-audited financial results for the quarter ended 30<sup>th</sup> June, 2017 along with Limited Review Report of the auditors thereon.

We further inform the following :-

1. The Board on the recommendation of Nomination and Remuneration Committee has approved the appointment of Mr. Sidharth Jain Fouzdar, IAS as a Director on the Board of Directors of the Company as nominated by Andhra Pradesh Industrial Development Corporation Limited (APIDC) in place of Mr. Kartikeya Misra, IAS.
2. The Board on the recommendation of Nomination and Remuneration Committee has approved induction of Mr. V. Poyyamozhi into the Board as an Additional Director and also approved his appointment as Whole-time Director of the Company, subject to the approval of shareholders in the ensuing Annual General Meeting of the Company.
3. The 25<sup>th</sup> Annual General Meeting of the Company will be held on 27<sup>th</sup> September, 2017. The Register of Members and Share Transfer Books of the Company will remain closed from 21<sup>st</sup> September, 2017 to 27<sup>th</sup> September, 2017 (Both days inclusive) for the purpose of Annual General Meeting and determining the members who are eligible to receive the dividend.
4. The Dividend to the eligible shareholders will be paid within 30 days from the date of declaration at the ensuing Annual General Meeting of the Company and the record date for the payment of dividend will be 20<sup>th</sup> September, 2017.

Contd.

Pursuant to SEBI's Circular dated 9<sup>th</sup> September, 2015, we give below brief profiles in respect of appointment of Directors approved by the Board :

- 1. Profile of Mr. Sidharth Jain Fouzdar, IAS, Nominee Director :** Mr. Sidharth Jain Fouzdar is Member of Indian Administrative Service (IAS) and presently deputed to Andhra Pradesh (AP) cadre and serving as Director, Industries & Commerce Department, Govt. of AP. He is also holding the position of Vice Chairman & Managing Director of APIDC. Prior to this, he served as District Collector of Chittoor, Khammam and West Godavari Districts of Andhra Pradesh state.
- 2. Profile of Mr. V. Poyyamozhi, Whole-time Director :** Mr. V. Poyyamozhi, B.E (Mechanical), ICWA (Intermediate) has been associated with the Company for the last four years and leads the operational team of the Company's integrated plant. He has brought in strong execution skill and has considerably strengthened innovation and developmental activities. He has a strong track record of results, execution excellence and improved efficiency while driving the team to achieve higher operational performance. He has spent nearly 34 years in steel industry. He started his career in Bhilai Steel Plant, where he rose through the ranks in 18 years of service. He then joined JSW Steel Limited where he was involved in bringing the steel melting facility from 0.8 Million tonnes capacity to 12 Million tonnes capacity and he leaves from the position of Sr. Vice President.
- 3. Relationship of Mr. Sidharth Jain Fouzdar and Mr. V. Poyyamozhi with other Directors:** None of the aforesaid Directors, has any interest or concern or any relationship with other directors of the Company.

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

The Meeting of the Board of Directors commenced at 11.30 AM and concluded at 12.40 PM

This is for your information and records.

Thanking you,

Yours faithfully,

**For SRIKALAHASTHI PIPES LIMITED**



**K.RAGHURAM**  
Company Secretary



**K.R. BAPUJI & CO**

**CHARTERED ACCOUNTANTS**

"KRB House", H.No. 1-65/29, Plot No.29, Kavuri Hills, Phase-III, Guttala Begumpet,  
Madhapur (PO), Hyderabad-500081, Telangana  
Telephones : 040-40034465-42000157 :: Email: krbapujico@gmail.com

**INDEPENDENT AUDITOR'S REVIEW REPORT**

To  
The Board of Directors  
**SRIKALAHASTHI PIPES LIMITED**

We have reviewed the accompanying statement of unaudited financial results of **Srikalahasthi Pipes Limited** ("the Company") for the Quarter ended June 30, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This statement, which is the responsibility of the Company's management and has been approved by the Board of Directors of the Company, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the statement 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 statement is 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 of the Statement 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 aforesaid Indian Accounting Standard and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For K. R. BAPUJI & CO.  
Chartered Accountants  
Firm Registration No.000395S

P R SATISH  
Partner  
Membership No. 219432



Place : Chennai  
Date : August 10, 2017

# SRIKALAHASTHI PIPES LIMITED

Regd. Office & Works: Rachagunneri-517641, Srikalahasthi Mandal, Chittoor District, Andhra Pradesh  
CIN : L74999AP1991PLC013391; email: companysecretary@srikalahasthipipes.com; Website : www.srikalahasthipipes.com  
**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE'17**

(All amounts in Indian Rupees Lakhs Except per Share Data)

| Sl. No.     | Particulars                                                                       | Quarter Ended     |            | Year Ended  |             |
|-------------|-----------------------------------------------------------------------------------|-------------------|------------|-------------|-------------|
|             |                                                                                   | 30.06.2017        | 31.03.2017 | 30.06.2016  | 31.03.2017  |
|             |                                                                                   | (Unaudited)       | (Audited)  | (Unaudited) | (Audited)   |
| <b>I</b>    | <b>Revenue from Operations</b>                                                    | <b>44,049.01</b>  | 43,939.64  | 28,656.23   | 1,20,340.14 |
| <b>II</b>   | <b>Other Income</b>                                                               | <b>618.72</b>     | 506.96     | 548.18      | 3,046.91    |
| <b>III</b>  | <b>Total income (I+II)</b>                                                        | <b>44,667.73</b>  | 44,446.60  | 29,204.41   | 1,23,387.05 |
| <b>IV</b>   | <b>Expenses:</b>                                                                  |                   |            |             |             |
|             | (a) Cost of materials consumed                                                    | <b>20,527.50</b>  | 18,390.71  | 10,977.18   | 47,604.04   |
|             | (b) Purchase of stock in trade                                                    | <b>7,257.23</b>   | 7,383.53   | -           | 7,384.08    |
|             | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | <b>(1,308.88)</b> | 595.54     | (445.68)    | (14.06)     |
|             | (d) Excise Duty on Sale of goods                                                  | <b>743.77</b>     | 719.97     | 734.23      | 2,553.48    |
|             | (e) Employee benefits expense                                                     | <b>1,896.29</b>   | 1,629.39   | 1,855.82    | 7,067.40    |
|             | (f) Finance Costs                                                                 | <b>1,141.94</b>   | 768.86     | 1,199.89    | 3,929.16    |
|             | (g) Depreciation and amortisation expense                                         | <b>875.73</b>     | 881.82     | 1,436.92    | 3,688.50    |
|             | (h) Other expenses                                                                | <b>8,502.35</b>   | 9,662.45   | 7,563.29    | 32,052.11   |
|             | <b>Total Expenses (IV)</b>                                                        | <b>39,635.93</b>  | 40,032.27  | 23,321.65   | 1,04,264.71 |
| <b>V</b>    | <b>Profit / (Loss) before tax (I-IV)</b>                                          | <b>5,031.80</b>   | 4,414.33   | 5,882.76    | 19,122.34   |
| <b>VI</b>   | <b>Tax expense</b>                                                                | <b>1,387.93</b>   | 1,295.26   | 1,585.99    | 5,099.12    |
| <b>VII</b>  | <b>Profit / (Loss) for the period (V-VI)</b>                                      | <b>3,643.86</b>   | 3,119.07   | 4,296.77    | 14,023.22   |
| <b>VIII</b> | <b>Other Comprehensive Income</b>                                                 |                   |            |             |             |
|             | Other Comprehensive Income                                                        |                   |            |             |             |
|             | Items that will not be reclassified to profit or loss                             | 2.63              | 15.82      | (8.78)      | (10.52)     |
|             | Income Tax relating to items that will not be reclassified to profit or loss      | (0.91)            | (3.47)     | 3.04        | 3.64        |
| <b>IX</b>   | <b>Total Comprehensive Income for the period (VII+VIII)</b>                       | <b>3,645.58</b>   | 3,131.42   | 4,291.03    | 14,016.34   |
| <b>XI</b>   | <b>Paid-up equity share capital (Face Value Rs.10/- per Share)</b>                | <b>3,976.36</b>   | 3,976.36   | 3,976.36    | 3,976.36    |
| <b>XII</b>  | <b>Other Equity excluding Revaluation Reserve</b>                                 |                   |            |             | 77,377.24   |
| <b>XIII</b> | <b>Earnings Per Share (EPS) of Rs. 10 each (not annualised)</b>                   |                   |            |             |             |
|             | Basic and Diluted EPS (in Rs.)                                                    | <b>9.17</b>       | 7.88       | 10.79       | 35.25       |

## Notes:-

- The above financial results which have been prepared in accordance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular dated July 5, 2016, have been reviewed by Audit Committee and approved by the Board of Directors at its meeting held on 10th August, 2017. The above results have been subjected to Limited Review by the Statutory Auditors.
- The Company Operates mainly in one business segment viz Pipes and all other activities revolve around the main business.
- The figures for the quarter ended March 31, 2017 are the balancing figures between the audited figures in respect of the full financial year 2016-2017 and the year to date upto the quarter ended December 31, 2016.
- Previous periods' figures have been regrouped/rearranged wherever necessary.

*For Identification Purpose Only*

For SRIKALAHASTHI PIPES LIMITED



*G. Maruthi Rao*  
**G. Maruthi Rao**  
Chairman  
DIN 00083950

Place : Chennai.

Date : 10th August, 2017.



# SRIKALAHASTHI PIPES LIMITED

148/150, Luz Church Road, Mylapore, Chennai - 600 004, India.

Tel : +91-44-2467 4900 (30 Lines), Fax : +91-44-2499 5229

E-mail : homarketing@srialahasthipipes.com

## **PRESS RELEASE**

The Board of Directors of Srialahasthi Pipes Limited approved the un-audited financial results for the quarter ended 30<sup>th</sup> June, 2017 at its meeting held today at Chennai.

Mr. G S Rathi, Whole Time Director, informed that the capacity of Ductile Iron Pipes Plant has been fully stabilized and the Company has started getting full benefits of the increased capacity. The company is in the process of working on organic and inorganic growth plans for future.

Mr. Rathi informed that the volatility in the global coal prices is a cause of concern for the industry and during the quarter under review the company consumed higher cost of coal, which has taken a toll on the profitability of the Company. However with the enhanced production of blast furnace, full utilization of DI pipe plant capacity and the benefits from cost reduction measures, the Company was able to bring down the impact of higher input cost.

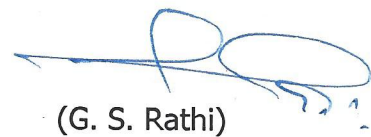
He informed that 3<sup>rd</sup> annealing furnace is proposed to be installed exclusively for smaller dia pipes, which will reduce oil consumption considerably. He further added that considering demand of higher dia ductile iron pipes, the company intends to take necessary steps for creating production facilities for 1200 mm dia pipes also. This will increase overall demand for Ductile Iron Pipes.

He also informed that backed by the continued thrust given by the Central and State Governments for water infrastructure development and irrigation sector, the demand for Ductile Iron Pipes is expected to be robust. The Company is having a healthy order book position and is confident of meeting the market demand with its increased capacity.

While briefing about the financials, he said that the profit before tax for the quarter ended 30<sup>th</sup> June, 2017 was Rs.50.31 crores, compared to Rs.58.82 crores reported in the corresponding quarter previous year. The Profit after tax for the quarter under review is Rs.36.44 crores as against Rs.42.96 crores in the same quarter of the previous year. He informed that the PAT for this quarter has increased to Rs.36.44 crores as compared to Rs.31.19 crores reported in the immediate preceding quarter ended 31<sup>st</sup> March, 2017.

He further said that the Company's project for installation of additional Coke Oven battery and boiler in Captive Power plant for expansion of capacity is moving ahead as per schedule and it is expected that the same will be in place by first quarter of FY 2018-19. He also informed that with the operational efficiency and improved market demand, the Company is hopeful of insulating its margins

Chennai  
10<sup>th</sup> August, 2017



(G. S. Rathi)  
Whole Time Director

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

Rachagunneri - 517 641, Srialahasthi Mandal, Chittoor District, Andhra Pradesh, India

Tel : +91 8578-286650 to 55, Fax : +91 8578-286657, 287688

Website : www.srialahasthipipes.com CIN:L74999AP1991PLC013391

