



# 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](http://www.srikalahasthipipes.com), CIN : L74999AP1991PLC013391

SPL/SECY/SE/2018-19

30<sup>th</sup> July, 2018

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: Board Meeting of the Company held on 30<sup>th</sup> July, 2018**

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, 2018. 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, 2018 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. Ashutosh Agarwal, as an Additional Director on the Board of Directors of the Company with effect from 30<sup>th</sup> July, 2018.
2. The 26<sup>th</sup> Annual General Meeting of the Company will be held on 19<sup>th</sup> September, 2018. The Register of Members and Share Transfer Books of the Company will remain closed from 13<sup>th</sup> September, 2018 to 19<sup>th</sup> September, 2018 (Both days inclusive) for the purpose of Annual General Meeting and determining the members who are eligible to receive the dividend.
3. 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 12<sup>th</sup> September, 2018.



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

- i. **Profile of Mr. Ashutosh Agarwal, Director :** Shri Ashutosh Agarwal is a member of the Institute of Chartered Accountants of India and the Institute of Cost and Works Accountants of India and has also completed his CS (Inter) from the Institute of Company Secretaries of India. He has more than 30 years (post qualification) experience in the fields of Finance, Accounts, Corporate affairs and Commercial matters. He is currently looking after all the financial matters of the Electrosteel Group.
- ii. **Relationship of Mr. Ashutosh Agarwal with other Directors:** Mr. Ashutosh Agarwal has no 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 11.00 AM and concluded at 12.15 PM.

Thanking you,

Yours faithfully,

**For SRIKALAHASTHI PIPES LIMITED**

**G. KODANDA PANI**

**Sr.Dy.General Manager – Finance  
& Company Secretary**

**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 UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2018

| (All amounts in Indian Rupees Lakhs Except per Share Data) |                                                                              |                  |                  |                  |                    |
|------------------------------------------------------------|------------------------------------------------------------------------------|------------------|------------------|------------------|--------------------|
| Sl. No.                                                    | Particulars                                                                  | Quarter Ended    |                  |                  | Year Ended         |
|                                                            |                                                                              | 30.06.2018       | 31.03.2018       | 30.06.2017       | 31.03.2018         |
|                                                            |                                                                              | (Unaudited)      | (Audited)        | (Unaudited)      | (Audited)          |
| <b>I</b>                                                   | <b>Revenue from Operations</b>                                               | 29,624.42        | 33,921.27        | 44,049.01        | 1,50,598.02        |
| <b>II</b>                                                  | Other Income                                                                 | 1,279.68         | 1,153.25         | 618.72           | 3,555.90           |
| <b>III</b>                                                 | <b>Total income (I+II)</b>                                                   | <b>30,904.10</b> | <b>35,074.52</b> | <b>44,667.73</b> | <b>1,54,153.92</b> |
| <b>IV</b>                                                  | <b>Expenses:</b>                                                             |                  |                  |                  |                    |
|                                                            | (a) Cost of materials consumed                                               | 17,653.73        | 18,189.43        | 20,527.50        | 74,098.68          |
|                                                            | (b) Purchase of stock in trade                                               | 839.00           | 55.14            | 7,257.23         | 12,514.40          |
|                                                            | (c) Changes in inventories of finished goods and work-in-progress            | (629.40)         | 714.21           | (1,308.88)       | 664.38             |
|                                                            | (d) Excise Duty on Sale of goods                                             | -                | -                | 743.77           | 743.77             |
|                                                            | (e) Employee benefits expense                                                | 1,839.70         | 1,917.56         | 1,896.29         | 7,505.95           |
|                                                            | (f) Finance Costs                                                            | 1,094.69         | 1,120.13         | 1,141.94         | 4,288.18           |
|                                                            | (g) Depreciation and amortisation expense                                    | 904.47           | 844.71           | 875.73           | 3,544.82           |
|                                                            | (h) Other expenses                                                           | 7,084.63         | 7,642.18         | 8,502.35         | 30,700.32          |
|                                                            | <b>Total Expenses (IV)</b>                                                   | <b>28,786.82</b> | <b>30,483.36</b> | <b>39,635.93</b> | <b>1,34,060.50</b> |
| <b>V</b>                                                   | <b>Profit before tax (I-IV)</b>                                              | 2,117.28         | 4,591.16         | 5,031.80         | 20,093.42          |
| <b>VI</b>                                                  | <b>Tax expense</b>                                                           | -                | -                | -                | -                  |
|                                                            | (a) Current Tax                                                              | 431.84           | 503.39           | 1,521.41         | 4,263.40           |
|                                                            | (b) Deferred Tax                                                             | (43.62)          | 655.27           | (133.47)         | 1,089.86           |
|                                                            | <b>Total Tax expense</b>                                                     | <b>388.22</b>    | <b>1,158.66</b>  | <b>1,387.94</b>  | <b>5,353.26</b>    |
| <b>VII</b>                                                 | <b>Profit for the period (V-VI)</b>                                          | <b>1,729.06</b>  | <b>3,432.50</b>  | <b>3,643.86</b>  | <b>14,740.16</b>   |
| <b>VIII</b>                                                | <b>Other Comprehensive Income</b>                                            |                  |                  |                  |                    |
|                                                            | Items that will not be reclassified to profit or loss                        | 8.64             | 45.06            | 2.63             | 34.54              |
|                                                            | Income Tax relating to items that will not be reclassified to profit or loss | (3.02)           | (15.59)          | (0.91)           | (11.95)            |
|                                                            | Other Comprehensive Income (Net of Tax)                                      | 5.62             | 29.47            | 1.72             | 22.59              |
| <b>IX</b>                                                  | <b>Total Comprehensive Income for the period (VII+VIII)</b>                  | <b>1,734.68</b>  | <b>3,461.97</b>  | <b>3,645.58</b>  | <b>14,762.75</b>   |
| <b>X</b>                                                   | <b>Paid-up equity share capital (Face Value Rs.10/- per Share)</b>           | 4,669.84         | 4,669.84         | 3,976.36         | 4,669.84           |
| <b>XI</b>                                                  | <b>Other Equity excluding Revaluation Reserve</b>                            |                  |                  |                  | 1,13,208.91        |
| <b>XII</b>                                                 | <b>Earnings Per Share (EPS) of Rs. 10 each (not annualised)</b>              |                  |                  |                  |                    |
|                                                            | Basic and Diluted EPS (in Rs.)                                               | 3.71             | 7.41             | 9.17             | 35.53              |

Notes:-

- 1) The above financial results 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 30th July, 2018. These have been subjected to limited review by the Statutory Auditors.
- 2) The figures for the quarter ended 31st March 2018 are balancing figures between the audited figures for the full financial year and the year to date figures up to 31st December of the respective financial year.
- 3) In accordance with the requirements of Ind AS, Revenue from Operations for the Quarter ended 30th June 2018 and 31st March 2018 is net of Goods and Service Tax (GST). However revenue for the quarter ended 30th June 2017, year ended 31st March 2018 being inclusive of excise duty are not comparable with corresponding figures of quarter ended 30th June 2018 and 31st March 2018.
- 4) The Company Operates mainly in one business segment viz Pipes and all other activities revolve around the main business.
- 5) Previous periods' figures have been regrouped/rearranged wherever necessary.



For SRIKALAHASTHI PIPES LIMITED

*G. Maruthi Rao*

G. Maruthi Rao

Chairman

DIN 00083950

Place : Chennai.

Date : 30th July, 2018.

**Limited Review Report****The Board of Directors  
Srikalahasthi Pipes Limited**

1. We have reviewed the accompanying statement of unaudited Financial Results of Srikalahasthi Pipes Limited ('the Company') for the Quarter ended on 30<sup>th</sup> June 2018 ('the Statement'). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ('the SEBI Regulations'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July 2016 which has been initialed by us for the purpose of identification.
2. This Statement which is the responsibility of the Company's Management and has been approved by the Board of Directors 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 issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.
3. 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 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.
4. Based on our review conducted as above, we report that, nothing has come to our attention that causes us to believe that the accompanying statement of the Results read with notes thereon, prepared in accordance with aforesaid Indian Accounting Standards and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. The comparative Ind AS financial information of the Company for the corresponding quarter ended June 2017 were reviewed by the predecessor auditor who expressed unmodified opinion vide their reports dated August 10, 2017.

Our conclusion is not qualified in respect of these matters

Place: Chennai  
Date: July 30, 2018



For Lodha & Co.  
Chartered Accountants  
Firm's ICAI Registration No.:301051E

*R.P. Singh*

R P Singh  
Partner  
Membership No.052438



# SRIKALAHASTHI PIPES LIMITED

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## **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, 2018 at its meeting held today at Chennai.

Mr. G.S.Rathi, Whole-time Director, while briefing about the financials said that the profit before tax for the quarter ended 30<sup>th</sup> June, 2018 was Rs.21.17 crores, compared to Rs.50.32 crores reported in the corresponding quarter of previous year. The Profit after tax for the quarter under review is Rs.17.29 crores as against Rs.36.44 crores in the same quarter of the previous year.

Mr. Rathi informed that the main reason for the lower profitability during the quarter is due to technical issue in MBF since mid May, 2018, which has since been addressed after taking shut down of about 12 days in the month of June, 2018 resulting in lower production and higher cost. It is heartening to note that post relining the operations of MBF has stabilized and running efficiently. The Company is hopeful of recovering the loss of production in the coming quarters. The profit was further affected by the increase in the main raw materials i.e. coal, iron ore and Ferro silicon prices.

Mr. Rathi informed that the Board has decided to replace the existing Mini Blast Furnace by installing a new mini blast furnace (MBF) of 350 M3 / 400 M3 to have liquid metal capacity of over 1000 tonnes per day in the existing location. The same will be synchronized with existing facilities. To utilize the surplus liquid metal available from the new MBF, the company has decided to install facilities for manufacturing of Small Dia Ductile Iron Pipe capacity of 1 lakh MT per annum. He further informed that the detailed project report (DPR) is being worked out and final decision will be taken shortly.

The Company's project for installation of additional Coke Oven battery for expansion of capacity was successfully commissioned during the quarter under review and the project for installation of additional boiler is in advanced stage of completion and shall be in place by end of 2<sup>nd</sup> quarter of this fiscal year. As regards the proposed Ferro Alloys project, he informed that pre-project start up activities are going on and the project is expected to commence in the current quarter.

He also informed that backed by the continued emphasis given for water infrastructure development and irrigation sector, the demand for Ductile Iron Pipes is expected to be stable, resulting in healthy order book position and the Company is hopeful of maintaining its performance.

Chennai  
30<sup>th</sup> July, 2018

  
(G. S. Rathi)  
Whole Time Director

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

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