INSPIRING GROWTH

SRIKALAHASTHI PIPES LIMITED

(Formerly Lanco Industries Limited)

QUALITY MANAGEMENT CERTIFIED DNV | ENVIRONMENTAL MANAGEMENT CERTIFIED DNV

Regd. Office & Works: Rachagunneri-517641, Srikalahasthi Mandal, Chittoor District, A.P.,
Ph.:08578 286650 to 55; Fax: 286657/88 : E-mail: companysecretary@srikalahasthipipes.com
Website : www.srikalahasthipipes.com, CIN : L74999AP1991PLC013391

SPL/SECY/SE/2019-20 8th May, 2019

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 8th May, 2019

The Board at its meeting held today has taken on record the Audited financial results for the quarter & year ended 31st March, 2019. Pursuant to Regulation 33 of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015, we enclose the following :-

1. Audited financial results for the quarter and year ended 31st March, 2019.
2. Auditors' Report on the Audited financial results.

The Report of Auditors is with un-modified opinion with respect to the Audited Financial Results of the Company for the quarter/year ended 31st March, 2019.

We further inform the following :-

1. The Board on the recommendation of Nomination and Remuneration Committee has approved the re-appointment of Mr. R.K. Khanna as independent director for the 2nd term of five years with effect from 27th September, 2019, subject to the approval of shareholders at the ensuing Annual General Meeting.
2. The Board has recommended a dividend of Rs. 6/- (60%) per share for the financial year ended 31.03.2019, subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.
3. The Dividend for the financial year ended 31.03.2019, if any, declared at the ensuing Annual General Meeting will be paid to the shareholders within 30 days from the date of declaration.

SRIKALAHASTHI PIPES LTD.

INSPIRING GROWTH

Continuation Sheet

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

1. **Profile of Mr. R.K. Khanna :** Mr R.K. Khanna aged about 67 years is a Graduate in Management – Finance and holds Post Graduate Diploma in Marketing & Sales Management from FMS, Delhi University and has done Certification Course in Infrastructure & Housing Finance from Wharton School of Management, USA. He has rich experience in Financial Management and Banking operations and served as Dy.Chief of Finance in National Building Construction Corporation Limited, New Delhi. In his long stint of 25 years with HUDCO, he held senior Management positions viz. Executive Director and Sr. Executive Director and contributed for the business development of Western/Eastern/North Eastern Zones. He also held Directorship in Shivshahi Punarvasan Prakalp Ltd. (SPPL), Mumbai.

(i) **Relationship of Mr. R.K. Khanna with other Directors**: Mr. R.K. Khanna is an independent director and 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 12.00 Noon and concluded at 1.15 pm.

Thanking you,

Yours faithfully,
For SRIKALAHASTHI PIPES LIMITED

G. KODANDA PANI
Company Secretary

SRIKALAHASTHI PIPES LTD.

SRIKALAHASTHI PIPES LIMITED

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

CIN : L74999AP1991PLC013391; Phone : 08578 - 286650 - 655 email: companysecretary@srikalahasthipipes.com;

Website : www.srikalahasthipipes.com

INSPIRING GROWTH

SRIKALAHASTHI PIPES

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2019

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

Sl. No.	Particulars	Quarter Ended			Year Ended	
		March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
I	Revenue from Operations	40,869.87	39,735.62	36,255.82	1,55,880.44	1,59,423.25
II	Other Income	1,291.61	934.99	1,178.12	5,064.63	3,713.68
III	Total income (I+II)	42,161.48	40,670.61	37,433.94	1,60,945.07	1,63,136.93
IV	Expenses:					
	(a) Cost of materials consumed	23,942.26	21,629.42	18,189.43	85,022.36	74,098.68
	(b) Purchase of stock in trade	391.34	-	55.14	5,453.80	12,514.40
	(c) Changes in inventories of finished goods and work-in-progress	(842.89)	(189.71)	714.21	(2,644.89)	664.38
	(d) Excise Duty on Sale of goods	-	-	-	-	743.77
	(e) Employee benefits expense	1,879.27	2,085.27	1,917.56	7,878.14	7,511.37
	(f) Finance Costs	700.66	1,088.13	1,144.99	4,050.23	4,297.41
	(g) Depreciation and amortisation expense	919.88	929.67	844.71	3,704.62	3,544.82
	(h) Other expenses	10,427.85	10,612.34	9,976.75	41,475.83	39,668.69
	Total Expenses (IV)	37,418.37	36,155.12	32,842.79	1,44,940.09	1,43,043.52
V	Profit before tax (I-IV)	4,743.11	4,515.49	4,591.15	16,004.98	20,093.41
VI	Tax expense					
	(a) Current Tax	909.82	1,057.94	503.39	3,399.29	4,263.40
	(b) Deferred Tax	250.10	341.66	655.27	851.96	1,089.86
	Total Tax expense	1,159.92	1,399.60	1,158.66	4,251.25	5,353.26
VII	Profit for the period (V-VI)	3,583.19	3,115.89	3,432.49	11,753.73	14,740.15
VIII	Other Comprehensive Income					
	Items that will not be reclassified to profit or loss	(49.91)	8.63	45.06	(24.01)	34.54
	Income Tax relating to items that will not be reclassified to profit or loss	17.46	(3.02)	(15.59)	8.40	(11.95)
	Other Comprehensive Income (Net of Tax)	(32.45)	5.61	29.47	(15.61)	22.59
IX	Total Comprehensive Income for the period (VII+VIII)	3,550.74	3,121.50	3,461.96	11,738.12	14,762.74
X	Paid-up equity share capital (Face Value Rs.10/- per Share)	4,669.84	4,669.84	4,669.84	4,669.84	4,669.84
XI	Other Equity excluding Revaluation Reserve				1,21,569.19	1,13,208.91
XII	Earnings Per Share (EPS) of Rs. 10 each (not annualised)					
	Basic and Diluted EPS (in Rs.)	7.60	6.68	7.41	25.14	35.53

Statement of Assets and Liabilities

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
ASSETS		
Non-Current Assets		
a. Property, Plant and Equipment	85,787.00	83,574.45
b. Capital Work-In-Progress	2,407.09	2,976.39
c. Other Intangible Assets	64.72	74.99
d. Financial Assets		
(i) Loans	763.66	648.17
(ii) Other Financial Assets	99.97	86.73
e. Other Non Current Assets	475.44	221.36
Total Non-Current Assets	89,597.88	87,582.09
Current Assets		
a. Inventories	35,267.97	20,912.29
b. Financial Assets		
(i) Investments	-	21,346.28
(ii) Trade Receivables	30,548.02	33,472.92
(iii) Cash and Cash Equivalents	25,723.19	20,192.95
(iv) Bank Balances Other than (iii) above	20,557.98	262.70
(v) Loans	6,608.63	2,076.63
(vi) Other Financial Assets	2,435.17	2,078.33
c. Current Tax Assets	476.28	392.76
d. Other Current Assets	7,279.30	1,247.73
Total Current Assets	1,28,896.54	1,01,982.59
Total Assets	2,18,494.42	1,89,564.68

LODHA & CO. RPJ KOLKATA Chartered Accountants

SRIKALAHASTHI PIPES LTD.

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
EQUITY AND LIABILITIES		
Equity		
a. Equity Share Capital	4,669.84	4,669.84
b. Other Equity	1,21,569.19	1,13,208.91
Total Equity	1,26,239.03	1,17,878.75
Liabilities		
Non-Current Liabilities		
a. Financial Liabilities		
(i) Borrowings	16,393.17	3,841.43
b. Provisions	547.39	156.61
c. Deferred Tax Liabilities (Net)	14,318.23	13,323.83
d. Other Non Current Liabilities		
(i) Deferred Income	423.08	448.72
Total Non-Current Liabilities	31,681.87	17,770.59
Current Liabilities		
a . Financial Liabilities		
(i) Borrowings	18,720.11	37,787.22
(ii) Trade Payables		
Total Outstanding dues to Micro Enterprises and Small Enterprises	40.11	41.64
Total Outstanding dues of Creditors Other than Micro Enterprises and Small Enterprises	31,684.21	8,574.83
(iii) Other Financial Liabilities	5,097.10	3,547.99
b. Other Current Liabilities	4,297.74	2,994.68
c. Provisions	734.25	968.98
Total Current Liabilities	60,573.52	53,915.34
Total Liabilities	92,255.39	71,685.93
Total Equity and Liabilities	2,18,494.42	1,89,564.68

Notes:-

1) The above audited results have been reviewed by the Audit Committee and approved by the Board of Directors on May, 08, 2019

2) Goods and Service Tax ("GST") which was implemented with effect from July 01, 2017 has not been included in the Revenue from Operations. However, till that date it was inclusive of excise duty and as such figures for the year ended 31st March 2018 are not comparable with the figures of the current year.

3) In terms of Ind AS-108 "Operating Segment", the Company has one business segment i.e. Pipes and all other activities revolve around said business.

4) Effective April 1, 2018, the Company has applied Ind AS-115 "Revenue from Contracts with Customers" under modified retrospective approach which did not have any significant impact on the overall results of the company.

5) Revenue from operations include trading sales as below (Rs. In lakhs):

Quarter Ended			Year Ended	
March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018
397.13	Nil	59.51	5679.53	12764.75

6) The Board has recommended a dividend of 60% i.e., Rs.6.00 per equity share for the year ended March 31, 2019.

7) The figures for the quarter ended March 31, 2019 and March 31, 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.

8) Previous periods' figures have been regrouped/rearranged wherever necessary.

LODHA & CO. RPJ KOLKATA Chartered Accountants

For SRIKALAHASTHI PIPES LIMITED

Chairman

DIN: 05180042

Place : Chennai.

Date : May 8, 2019.

SRIKALAHASTHI PIPES LTD.

LODHA
& CO
Chartered Accountants

14 Government Place East, Kolkata 700 069, India
Telephone : 033-2248-1111/1507/40400000
Telefax : 033-2248-6960
Email : cal@lodhaco.com

Auditors' Report on Standalone Financial Results
for the quarter and year ended March 31, 2019

The Board of Directors of
Srikalahasthi Pipes Limited

1. We have audited the accompanying statement of standalone quarterly financial results of Srikalahasthi Pipes Limited ('the Company') for the quarter and year ended March 31, 2019, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulations'), read with circular No: CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular') and has been initiated by us for identification. The financial results for the quarter ended March 31, 2019 have been prepared on the basis of the audited financial statements for the year ended March 31, 2019 and the financial results for the nine months ended December 31, 2018, which were subject to limited review and are the responsibility of the company's management and have been approved by the Board of Directors of the Company.

2. Our responsibility is to express an opinion on these financial results based on our audit of the financial results as at and for the year ended March 31, 2019 and our review of the financial results for the nine month period ended December 31, 2018, which was prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34, "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, as applicable and other accounting principles generally accepted in India and the relevant requirements of the Regulations.

3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

4. In our opinion and to the best of our information and according to the explanations given to us, these quarterly standalone financial results as well as the year to date results read with notes thereon:

   I. are presented in accordance with the requirements of the Regulation read with the Circular in this regard; and

   II. gives a true and fair view of the net profit, total comprehensive income and other financial information for the quarter and year ended March 31, 2019.

5. These financial results include the results for the quarter ended 31st March, being the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto 31st December of the relevant financial year, which were subject to limited review by us as stated in Paragraph 1 above, as required under the Regulations read with the circular in this respect. Our opinion is not modified in respect of this matter.

Place: Chennai
Date: May 08, 2019

LODHA & CO. KOLKATA Chartered Accountants

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

R.P. Singh

R. P. Singh
Partner
Membership No: 52438

INSPIRING GROWTH

SRIKALAHASTHI PIPES LIMITED

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PRESS RELEASE

The Board of Directors of Srikalahasthi Pipes Limited approved the audited financial results for the quarter and year ended 31st March, 2019 at their meeting held at Chennai on 8th May, 2019.

The profit before tax for the quarter ended 31st March was Rs.47.43 crores as against Rs.45.91 crores for the corresponding quarter ended 31st March 2018 of the previous year. The profit before tax for the year ended 31st March 2019 was Rs.160.05 crores, as compared to Rs.200.93 crores in the previous year ended 31st March 2018. The Profit after tax for the year ended 31st March 2019 is Rs.117.54 crores as against Rs.147.40 crores in the previous year ended 31st March 2018.

The Board of Directors have recommended a dividend of Rs.6/- per share (60%) for the financial year 2018-19 also as distributed in the previous year.

Mr. G S Rathi while briefing about the results of the company, informed that the lower profitability is attributable to higher raw material cost especially Coking Coal, Iron Ore, depreciation of rupee against dollar coupled with lower realization on account of old orders on Firm prices. However, the Company is hopeful of improved working during the Financial year 2019-20 in view of higher demand of D.I. Pipes in Andhra Pradesh where the plant is situated.

While briefing on the Capex plans of the company, Mr. Rathi informed that implementation of 55 crores Ferro Alloys project initiated during the year is as per schedule and the first furnace will be commissioned by September, 2019 and the second furnace by December, 2019. The Rs.70 crores Capex in the Ductile Iron Pipe plant, mainly the additional Annealing Furnace, modification of Finishing Line and Spinning machine to produce Ductile Iron pipes upto 1200 mm dia are in progress and will be operational by June 2020. The Capex plan of 75 crores to put up new Blast Furnace of $380M^3$ is also under implementation and it is likely to be operational by end of September quarter of financial year 2020-21. On successful completion of these projects, the capacity of Ductile Iron pipe plant shall increase from 3,00,000 to 3,50,000 TPA.

Mr. Rathi informed that the concept of water grid project for the entire state is gaining ground. Similar to the BHAGIRATHA water grid project of Telangana, the government of Andhra Pradesh has started implementation of JALDHARA water grid project to provide potable water in the State. Further, implementation of Amaravati Capital project and providing industrial water to SEZ areas in Nellore, Srikalahasthi and Naidupet areas in Andhra Pradesh will generate additional demand of Ductile Iron pipes. The company will be benefited by these upcoming water supply projects in Andhra Pradesh and increased capacity will be helpful in meeting the demand timely. The focus of the Central Government for potable water supply, 100% sanitation coverage in India, ambitious housing plan for the economically weaker section of the society, Swatch Bharat Mission and implementation of irrigation projects by pipeline will generate higher demand in all States and hopeful of maintaining around 15% growth.

Chennai
8th May, 2019

G. S. Rathi
Whole Time Director

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