



INDEPENDENT AUDITOR'S REVIEW REPORT

To
The Board of Directors
SRIKALAHASTHI PIPES LIMITED (formerly LANCO INDUSTRIES LIMITED)

We have reviewed the accompanying statement of unaudited financial results of **Srikalahasthi Pipes Limited (formerly Lanco Industries Limited)** ("the Company") for the Quarter ended June 30, 2015 ("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 applicable accounting standards as prescribed by Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, 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 : July 25, 2015



DHEERAJ AGARWAL
Partner
Membership No. 219788
For and on behalf of
K. R. BAPUJI & CO.
Chartered Accountants
Firm Registration No.000395S

SRICALAHASTHI PIPES LIMITED

(Formerly Lanco Industries Limited)

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

CIN : L74999AP1991PLC013391 Website : www.srikalahasthipipes.com

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE '15

PART I		All amounts in Indian Rupees Lakhs Except Share Data			
Sl. No.	Particulars	Quarter Ended		Previous Year	
		30.06.2015 (Unaudited)	31.03.2015 (Audited)	30.06.2014 (Unaudited)	31.03.2015 (Audited)
1	Income from operations				
	a. Net Sales/Income from operations (Net of excise duty)	25,585.23	30,143.07	21,697.49	108,355.08
	b. Other Operating Income	-	-	-	-
	Total income from operations (Net)	25,585.23	30,143.07	21,697.49	108,355.08
2	Expenses:				
	(a) Cost of materials consumed	11,797.80	15,591.67	10,229.52	53,204.25
	(b) Purchases of traded goods	690.49	1,227.84	131.01	5,338.72
	(c) Changes in inventories of finished goods and work-in-progress	(534.02)	527.76	230.06	1,034.98
	(d) Employee benefits expense	1,370.09	1,137.78	1,264.01	4,844.94
	(e) Depreciation and amortisation expense	675.76	1,114.99	648.62	3,116.90
	(f) Other expenses	6,013.37	5,982.97	6,277.64	25,370.23
	Total Expenses	20,013.49	25,583.01	18,780.86	92,910.02
3	Profit / (loss) from operations before other income and finance costs (1-2)	5,571.74	4,560.06	2,916.63	15,445.06
4	Other income	261.62	419.13	134.28	866.03
5	Profit / (loss) from ordinary activities before finance costs (3 + 4)	5,833.36	4,979.19	3,050.91	16,311.09
6	Finance costs	1,247.06	755.55	1,210.09	4,369.37
7	Profit / (loss) from ordinary activities after finance costs but before tax expense (5-6)	4,586.30	4,223.64	1,840.82	11,941.72
8	Tax expense	1,193.71	1,180.66	556.57	3,643.60
9	Net Profit / (loss) from ordinary activities after tax (7 - 8)	3,392.59	3,042.98	1,284.25	8,298.12
10	Paid-up equity share capital (Face Value Rs.10/- per Share)	3,976.36	3,976.36	3,976.36	3,976.36
11	Reserves Excluding Revaluation Reserves				25,353.06
12	Basic & Diluted Earnings Per Share (in Rupees)	8.53	7.65	3.23	20.87

PART II SELECT INFORMATION FOR THE QUARTER ENDED 30.06.2015

A PARTICULARS OF SHAREHOLDING					
1	Public Shareholding				
	- No. of shares	19570417	19570417	19570417	19570417
	- Percentage of shareholding	49.22	49.22	49.22	49.22
2	Promoters and promoter group Shareholding				
	a) Pledged/Encumbered				
	- Number of shares	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total share capital of the company)	NIL	NIL	NIL	NIL
	b) Non-encumbered				
	- Number of Shares	20193178	20193178	20193178	20193178
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	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
B	Investors Complaints				
	Quarter ended 30.06.2015	Beginning	Received	Disposed off	Remaining unresolved
		Nil	4	4	Nil

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 25th July, 2015.
- 2 The Company has only "Pipes" as a significant reportable segment.
- 3 Finance cost includes loss on account of foreign exchange fluctuations of Rs 120.42 Lakhs (Rs 1.09 Lakhs gain during the corresponding quarter ended 30.06.2014 and loss of Rs. 87.21 Lakhs during the quarter ended 31.03.2015).
- 4 The Auditors of the Company have carried out a Limited Review of the aforesaid financial results for the quarter ended 30th June, 2015 in terms of Clause 41 of the Listing Agreement with Stock Exchanges.
- 5 Figures of the previous period are re-arranged wherever necessary to conform to the figures of current period.

Place : Chennai.
Date : 25th July, 2015.



For SRICALAHASTHI PIPES LIMITED

S.Y.Rajagopalan
Director



SRIKALAHASTHI PIPES LIMITED

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July 25, 2015

PRESS RELEASE

The Board of Directors of Srikalahasthi Pipes Limited, manufacturers of Ductile Iron Pipes in India has declared its results for the 1st quarter ended 30th June, 2015 at their Board meeting held at Chennai on 25th July, 2015.

The company's profit before tax for the quarter ended 30th June 2015 is Rs.45.86 Crs, as against Rs.18.43 Crs in the corresponding quarter ended 30th June 2014. The Profit after tax for the quarter ended 30th June 2015 is Rs. 33.93 Crs as against Rs.12.84 Crs during the corresponding quarter of the previous year.

The company's net sales for the quarter ended 30th June 2015 is Rs.255.85 Crs as against Rs.216.97 Crs for the quarter ended 30th June, 2014 registering an increase in net sales by 18%.

In view of the Company's improved performance, the company's credit rating has been upgraded by "CARE" for long term facilities from "CARE A (Single A)" to CARE A+ (A plus) and for short term facilities from CARE A1 (A one) to CARE A1+ (A one plus).

Mr G S Rathi, Director, informed that the company is hopeful of achieving its rated capacity during the year as the bottlenecks were removed by investing Rs.100 Crs in the previous year.

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The company shall participate in the auctions to be conducted by Karnataka State Government for iron ore mines subject to its eligibility, as the matter is pending before Apex Court to allow participation by industries having captive consumption of iron ore and located in other States.

Mr Rathi, informed that the Government of India has allotted over rupees one lakh crores for implementation of water supply projects, through Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and Smart Cities Mission. Further, various ambitious State Government sponsored Projects like Telangana Water Grid, Capital City of Amaravati in A. P. will create substantial demand of Ductile Iron Pipes. Considering the logistics and infrastructure facilities of Srikalahasthi Pipes, it is confident of improved business prospects both in terms of revenue and earnings.

For **SRIKALAHASTHI PIPES LIMITED**

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke extending to the left.

DIRECTOR