



INDEPENDENT AUDITOR'S REVIEW REPORT

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

We have reviewed the accompanying statement of unaudited financial results of **SRIKALAHASTHI PIPES LIMITED** (formerly known as LANCO INDUSTRIES LIMITED) ("the Company") for the Quarter ended September 30, 2014 ("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 recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended) which continue to apply as per 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 : October 31, 2014



P. R. SATISH
Partner
Membership No. 219432
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 SEPTEMBER '14

PART I		All amounts in Indian Rupees Lakhs Except Share Data					
		Quarter Ended			Half Year Ended		Previous year
		30.09.2014 (Unaudited)	30.06.2014 (Unaudited)	30.09.2013 (Unaudited)	30.09.2014 (Unaudited)	30.09.2013 (Unaudited)	
1	Income from operations						
	a. Net Sales/Income from operations (Net of excise duty)	25,713.01	21,697.49	26,404.93	47,410.50	48,286.49	98,721.67
	b. Other Operating Income	-	-	-	-	217.89	217.89
	Total income from operations (Net)	25,713.01	21,697.49	26,404.93	47,410.50	48,504.38	98,939.56
2	Expenses:						
	(a) Cost of materials consumed	13,151.28	10,229.52	15,243.56	23,380.80	24,248.14	54,436.78
	(b) Purchases of traded goods	5.00	131.01	2,488.75	136.01	5,499.09	5,503.70
	(c) Changes in inventories of finished goods and work-in-progress	337.46	230.06	(2,188.92)	567.52	(612.09)	(1,440.22)
	(d) Employee benefits expense	1,175.93	1,264.01	1,107.25	2,439.94	2,129.74	4,436.27
	(e) Depreciation and amortisation expense	681.89	648.62	692.29	1,330.51	1,385.88	2,794.28
	(f) Other expenses	6,645.12	6,277.64	6,780.28	12,922.76	11,832.51	24,301.55
	Total Expenses	21,996.68	18,780.86	24,123.21	40,777.54	44,483.27	90,032.36
3	Profit / (Loss) from operations before other income and finance costs (1-2)	3,716.33	2,916.63	2,281.72	6,632.96	4,021.11	8,907.20
4	Other income	128.42	134.28	142.01	262.70	348.66	724.06
5	Profit from ordinary activities before finance costs (3 + 4)	3,844.75	3,050.91	2,423.73	6,895.66	4,369.77	9,631.26
6	Finance costs	1,079.82	1,210.09	1,421.92	2,289.91	2,864.18	5,489.61
7	Profit / (Loss) from ordinary activities after finance costs but before tax expense (5-6)	2,764.93	1,840.82	1,001.81	4,605.75	1,505.59	4,141.65
8	Tax expense	931.66	556.57	25.87	1,488.23	179.37	271.62
9	Net Profit / (Loss) from ordinary activities after tax (7 - 8)	1,833.27	1,284.25	975.94	3,117.52	1,326.22	3,870.03
10	Paid-up equity share capital (Face Value Rs.10/- per Share)	3,976.36	3,976.36	3,976.36	3,976.36	3,976.36	3,976.36
11	Reserves Excluding Revaluation Reserves						18,572.05
12	Basic & Diluted Earnings Per Share (in Rupees)	4.61	3.23	2.45	7.84	3.34	9.73

PART II

PARTICULARS OF SHAREHOLDING							
1	Public Shareholding						
	- No. of shares	19570417	19570417	19570417	19570417	19570417	19570417
	- Percentage of shareholding	49.22	49.22	49.22	49.22	49.22	49.22
2	Promoters and promoter group Shareholding						
	a) Pledged/Encumbered						
	- Number of shares	NIL	NIL	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total share capital of the company)	NIL	NIL	NIL	NIL	NIL	NIL
	b) Non-encumbered						
	- Number of Shares	20193178	20193178	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	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	50.78	50.78

B Investors Complaints

Quarter ended 30.09.2014	Beginning	Received	Disposed off	Remaining unresolved
	Nil	4	4	Nil

Statement of Assets and Liabilities

Particulars		30.09.2014	31.03.2014
		(Unaudited)	(Audited)
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
	(a) Share capital	3,976.36	3,976.36
	(b) Reserves and surplus	21,159.37	18,572.05
	Shareholders' funds	25,135.73	22,548.41
2 Non-current liabilities			
	(a) Long-term borrowings	16,170.97	17,462.43
	(b) Deferred tax liabilities (net)	4,530.07	3,041.84
	(c) Other long-term liabilities	3,646.09	4,946.64
	(d) Long-term provisions	310.64	290.64
	Non-current liabilities	24,657.77	25,741.55
3 Current liabilities			
	(a) Short-term borrowings	25,373.91	23,557.34
	(b) Trade payables	7,753.87	19,570.17
	(c) Other current liabilities	9,710.80	9,451.62
	(d) Short-term provisions	1,088.04	945.72
	Current liabilities	43,926.62	53,524.85
	TOTAL - EQUITY AND LIABILITIES	93,720.12	101,814.81
B ASSETS			
1 Non-current assets			
	(a) Fixed assets		
	(i) Tangible assets	44,997.94	43,470.03
	(ii) Intangible assets	66.81	75.42
	(iii) Capital work-in-progress	1,450.56	2,004.23
		46,515.31	45,549.68
	(b) Long-term loans and advances	4,316.84	5,586.22
	Non-current assets	50,832.15	51,135.90
2 Current assets			
	(a) Inventories	16,995.76	23,675.14
	(b) Trade receivables	15,848.92	14,800.88
	(c) Cash and Bank Balances	3,323.83	5,735.02
	(d) Short-term loans and advances	2,922.71	2,651.99
	(e) Other current assets	3,796.75	3,815.88
	Current assets	42,887.97	50,678.91
	TOTAL - ASSETS	93,720.12	101,814.81

Notes:-

- The above results were reviewed by the Audit Committee and taken on record by the Board of Directors in its meeting held on 31st October, 2014.
- The Company has only "Pipes" as a significant reportable segment.
- Finance cost includes gain of Rs 3.61 Lakhs on account of foreign exchange fluctuations for quarter ended 30.09.2014 (Rs 1.09 Lakhs gain during the quarter ended 30.06.2014 & Rs 121.97 Lakhs loss during the quarter ended 30.09.2013).
- Depreciation on Fixed Assets has been charged in accordance with Schedule II of the Companies Act, 2013.
- The name of the Company has been changed from Lanco Industries Limited to "Srikalahasthi Pipes Limited" with effect from 29th September, 2014.
- The Auditors of the Company have carried out a Limited Review of the aforesaid financial results for the quarter ended 30th September, 2014 in terms of Clause 41 of the Listing Agreement with Stock Exchanges.
- Figures of the previous period are re-arranged wherever necessary to conform to the figures of current period.

For SRICALAHASTHI PIPES LIMITED

S.Y.Rajagopalan
Director

Place : Chennai.
Date : 31st October 2014.





SRIKALAHASTHI PIPES LIMITED

Regd. Office & Works: Rachagunneri-517641, Srikalahasthi Mandal,
Chittoor District, A.P., Ph.:08578 287650 to 55; Fax: 287657/88
Website : www.srikalahasthipipes.com CIN : L74999AP1991PLC013391



PRESS RELEASE

Srikalahasthi Pipes Limited (Formerly Lanco Industries Ltd) has declared its results for the 2nd quarter ended 30th September, 2014. The name of the company has changed with effect from 29th September, 2014.

The profit before tax (PBT) for the quarter ended 30th Sep 2014 is Rs.2763.74 Lakhs as against Rs.1840.82 Lakhs in the previous quarter ended 30th June 2014. The cumulative PBT for the half year ended 30th September, 2014 is Rs.4605.75 Lakhs.

The profit after tax (PAT) for the quarter ended 30th Sep 2014 is Rs.1832.08 Lakhs as against Rs.1284.25 Lakhs in the previous quarter ended 30th June 2014. The cumulative PAT for the half year ended 30th September, 2014 is Rs.3117.52 Lakhs.

Mr G S Rathi, Director, informed that the company has successfully completed commissioning and synchronization of its 132 KV Sub-Station which will provide stable and quality power supply. The company's expansion program of Rs.100 Crores for creating the balancing facilities is as per schedule and the company is hopeful of completing the project during last quarter of the current financial year. This will increase the company's Ductile Iron Pipe production by 50000 MT per annum.




Director