



**Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company
Pursuant to the Clause 41 of the Listing Agreement**

To

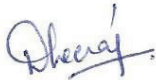
The Board of Directors of SRIKALAHASTHI PIPES LIMITED

1. We have audited the quarterly financial results of SRIKALAHASTHI PIPES LIMITED (The Company) for the quarter ended March 31, 2015 and the financial results for the year ended March 31, 2015, attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. The quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31, 2015 and the published year-to-date figures up to December 31, 2014, being the date of the end of the third quarter of the current financial year, which were subjected to limited review. The financial results for the quarter ended March 31, 2015 have been prepared on the basis of the financial results for the nine-month period ended December 31, 2014, the audited annual financial statements as at and for the year ended March 31, 2015, and the relevant requirements of Clause 41 of the Listing Agreement and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of the financial results for the nine-month period ended December 31, 2014 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, [specified under the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules 2014)] and other accounting principles generally accepted in India; our audit of the annual financial statements as at and for the year ended March 31, 2015; and the relevant requirements of Clause 41 of the Listing Agreement.
2. 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.
3. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:
 - i. are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
 - ii. give a true and fair view of the net profit and other financial information for the quarter ended March 31, 2015 and for the year ended March 31, 2015.



4. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2015 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2015 and the published year-to-date figures up to December 31, 2014, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Clause 41(1)(d) of the Listing Agreement.
5. Further, read with paragraph 1 above, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For K.R. BAPUJI & CO.
Chartered Accountants
ICAI Firm registration number: 000395S



DHEERAJ AGARWAL
Partner
Membership No. 219788

Date: April 30, 2015
Place: Chennai



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 AUDITED FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED 31ST MARCH '15

PART I		All amounts in Indian Rupees Lakhs Except Share Data				
Sl No.	Particulars	Quarter Ended			Year Ended	
		31.03.2015 (Audited)	31.12.2014 (Unaudited)	31.03.2014 (Audited)	31.03.2015 (Audited)	31.03.2014 (Audited)
1	Income from operations					
	a. Net Sales/Income from operations (Net of excise duty)	30,143.07	30,801.51	24,758.78	108,355.08	98,721.67
	b. Other Operating Income	-	-	-	-	217.89
	Total Income from operations (Net)	30,143.07	30,801.51	24,758.78	108,355.08	98,939.56
2	Expenses:					
	(a) Cost of materials consumed	15,591.67	14,231.78	15,382.02	53,204.25	54,436.78
	(b) Purchases of traded goods	1,227.84	3,974.87	4.61	5,338.72	5,503.70
	(c) Changes in inventories of finished goods and work-in-progress	527.76	(60.30)	(657.41)	1,034.98	(1,440.22)
	(d) Employee benefits expense	1,137.78	1,267.22	1,144.17	4,844.94	4,436.27
	(e) Depreciation and amortisation expense	1,114.99	671.40	728.46	3,116.90	2,794.28
	(f) Other expenses	5,982.97	6,464.50	5,863.83	25,370.23	24,301.55
	Total Expenses	25,583.01	26,549.47	22,465.68	92,910.02	90,032.36
	Profit / (Loss) from operations before other income and finance costs (1-2)	4,560.06	4,252.04	2,293.10	15,445.04	8,907.20
	Other income	419.13	184.20	217.22	866.03	724.06
	Profit from ordinary activities before finance costs (3 + 4)	4,979.19	4,436.24	2,510.32	16,311.08	9,631.26
	Finance costs	755.55	1,323.91	884.28	4,369.37	5,489.61
	Profit / (Loss) from ordinary activities after finance costs but before tax expense (5-6)	4,223.63	3,112.33	1,626.04	11,941.71	4,141.65
	Tax expense	1,180.66	974.71	(35.17)	3,643.60	271.62
	Net Profit / (Loss) from ordinary activities after tax (7 - 8)	3,042.97	2,137.62	1,661.21	8,298.12	3,870.03
	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
	Reserves Excluding Revaluation Reserves				25,353.06	18,572.05
	Basic & Diluted Earnings Per Share (in Rupees)	7.65	5.38	4.18	20.87	9.73

PART II SELECT INFORMATION FOR THE QUARTER & YEAR ENDED 31.03.2015

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

B Investors Complaints					
	Quarter ended 31.03.2015	Beginning	Received	Disposed off	Remaining unresolved
		Nil	5	5	Nil

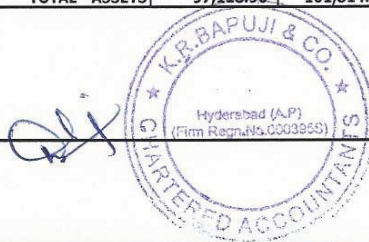
Statement of Assets and Liabilities

Particulars		31.03.2015 (Audited)	31.03.2014 (Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	3,976.36	3,976.36
	(b) Reserves and surplus	25,353.06	18,572.05
	Shareholders' funds	29,329.42	22,548.41
2	Non-current liabilities		
	(a) Long-term borrowings	17,996.72	17,462.43
	(b) Deferred tax liabilities (net)	6,547.31	3,041.84
	(c) Other long-term liabilities	1,311.93	4,946.64
	(d) Long-term provisions	393.00	290.64
	Non-current liabilities	26,248.96	25,741.55
3	Current liabilities		
	(a) Short-term borrowings	19,866.30	23,557.34
	(b) Trade payables	10,240.40	19,570.17
	(c) Other current liabilities	9,664.70	9,451.62
	(d) Short-term provisions	1,769.12	945.72
	Current liabilities	41,540.52	53,524.85
	TOTAL - EQUITY AND LIABILITIES	97,118.90	101,814.81
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets		
	(i) Tangible assets	48,635.54	43,470.03
	(ii) Intangible assets	94.32	75.42
	(iii) Capital work-in-progress	888.94	2,004.23
	Non-current assets	49,618.80	45,549.68
	(b) Long-term loans and advances	561.43	5,586.22
	Non-current assets	50,180.23	51,135.90
2	Current assets		
	(a) Inventories	13,459.24	23,675.14
	(b) Trade receivables	18,604.67	14,800.88
	(c) Cash and Bank Balances	5,924.52	5,735.02
	(d) Short-term loans and advances	3,921.31	2,651.99
	(e) Other current assets	5,028.93	3,815.88
	Current assets	46,938.67	50,678.91
	TOTAL - ASSETS	97,118.90	101,814.81

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 30th April, 2015.
- 2) The Company has only "Pipes" as a significant reportable segment.
- 3) The Board has recommended a dividend of - 30% Rs.3.00 per equity share for the year ended 31st March, 2015.
- 4) The Register of Members and Share Transfer Books of the company remain closed from Tuesday 18th August, 2015 to Monday 24th August, 2015 (both days inclusive).
- 5) Depreciation on Fixed Assets has been charged in accordance with Schedule II of the Companies Act, 2013.
- 6) The figures of last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year-to-date figures upto the third quarter of the respective financial years.
- 7) Figures of the previous period are re-arranged wherever necessary to conform to the figures of current period

Place : Chennai.
Date : 30th April, 2015.



For SRICALAHASTHI PIPES LIMITED

S.Y. Rajagopalan
Director



SRIKALAHASTHI PIPES LIMITED

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Press Release

The Board of Directors of Srikalahasthi Pipes Limited (SPL), a leading manufacturer of Ductile Iron Spun Pipe in South India and an associate company of Electrosteel Castings Limited (ECL) has announced their annual results on 30th April, 2015 for the year ended 31st March, 2015.

The Company's Gross operating revenue increased by 8.29% at Rs.1,123.04 crores during 2014-15 as against Rs.1,037.16 crores in the previous year. The revenue for the fourth quarter ended 31st March 2015 increased by about 22% at Rs.301.43 crores as against Rs.247.59 crores for the corresponding quarter last year.

Besides the reduced cost of the production and improved operational efficiency, the lower finance cost, the growth in the volume of the Ductile Iron Pipes coupled with improved sales realization has increased the EBDIT by 57% at Rs.194.27 crores for FY 2014-15 as against Rs.124.25 crores for FY 2013-14. The pre-tax profit increased to Rs.119.42 Crs. in the FY 2014-15 as against Rs.41.42 Crs reported in the FY 2013-14. The EPS for the current year 2014-15 is Rs.20.87 as against Rs.9.73 for the year 2013-14.

The profit before tax for the fourth quarter ended 31st March 2015 increased by about 160% at Rs.42.23 crores against Rs.16.26 crores during the fourth quarter of last year. The Profit after tax for the quarter ended 31.3.2015 rose by about 83% at Rs.30.42 crores as against Rs.16.61 crores for corresponding quarter of last year. The Board of Directors of the Company has recommended a dividend of 30 % for FY 2014-15 as against 15% for the previous year 2013-14.

The production of D. I. Pipes during the FY 2014-15 was higher at 1,69,500 MT as compared to 1,62,892 MT for the FY 2013-14. The production of Mini Blast Furnace (MBF), producing liquid metal mainly for Ductile Iron Pipe Plant was higher during the FY 2014-15 by 10.18% at 2,18,206 MT compared to 1,98,036 MT for the FY 2013-14. The production of Low Ash Metallurgical Coke was higher in FY 2014-15 by 16.90% at 1,60,554 MT as against 1,37,339 MT

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Plant was also higher in FY 2014-15 by 4.20% at 919 lakh units as against 882 lakh units in the FY 2013-14. The production of Slag Cement during the FY 2014-15 was higher by 27.26% at 85,770 MT compared to 67,396 MT in the previous year.

Mr. G. S. Rathi, Director, informed that the Company has successfully completed all its planned projects viz. enhancement of blowing capacity in MBF, installation of additional induction furnace, new spinning machine with higher productivity and additional finishing line on time during the year. The Company has also successfully commissioned and synchronized 132 KV sub-station during September, 2014.

The Company has undertaken cost reduction measures such as reduction of coke consumption, CRC scrap, HSD oil, effective utilization of sinter plant in terms of capacity and consumption ratio and reduction of power cost by increased captive power generation. Further, favourable trend in the prices of major raw materials viz. iron ore, coal helped the Company in sustaining overall reduction of the input cost during the year.

On the future prospects, Mr. Rathi informed that the company successfully completed the planned capital expenditure program of Rs.100 Crs to improve the quality and production level of D I Pipes during FY 2014-15. The company would start reaping the benefits of increased production Capacity of 225,000 metric tonnes per annum from the current fiscal 2015-16. The company is exploring additional measure of cost reduction and value addition to remain competitive in the industry.

To be fully self sufficient in its power requirements, the company during FY 2015-16 has planned to increase the capacity of its coke oven plant thereby increasing its captive power generation from 12 MW to 18 MW.



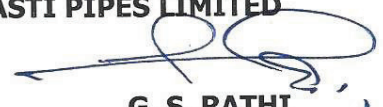


In spite of growing competition in the domestic market, the Company is maintaining a comfortable order position for the FY 2015-16. The company having excellent logistics and integrated facility coupled with cost control measures is able to operate its Ductile Iron Pipe Plant efficiently. This coupled with rising demand of DI Pipes, both in domestic and export market, the company is optimistic of its bright future.

Chennai

for SRIKALAHASTI PIPES LIMITED

Dated: 30th April, 2015



**G. S. RATHI
DIRECTOR**