



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, CIN : L74999AP1991PLC013391

SPL/SECY/SE/2019-20

31st October, 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 31st October, 2019.

The Board at its meeting held today has taken on record the Un-audited financial results for the quarter and half year ended 30th September, 2019. Pursuant to Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we enclose herewith the Un-audited financial results for the quarter and half year ended 30th September, 2019 along with Limited Review Report of the auditors thereon.

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 12.30 PM

Thanking you,

Yours faithfully,

For SRIKALAHASTHI PIPES LIMITED

G. KODANDA PANI
Company Secretary



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

STATEMENT OF STANDALONE UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019

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

Sl. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	Revenue from Operations	45,735.06	36,082.42	43,775.95	81,817.48	75,274.95	1,55,880.44
II	Other Income	1,742.26	1,236.36	1,573.95	2,978.62	3,432.94	5,064.63
III	Total income (I+II)	47,477.32	37,318.78	45,349.90	84,796.10	78,712.89	1,60,945.07
IV	Expenses:						
	(a) Cost of materials consumed	22,737.25	18,534.64	21,796.95	41,271.89	39,450.68	85,022.36
	(b) Purchase of stock in trade	6,199.79	163.71	4,223.46	6,363.50	5,062.46	5,453.80
	(c) Changes in inventories of finished goods and work-in-progress	(2,962.05)	(727.16)	(982.89)	(3,689.21)	(1,612.29)	(2,644.89)
	(d) Employee benefits expense	2,127.96	2,272.54	2,073.90	4,400.50	3,913.60	7,878.14
	(e) Finance Costs	1,252.83	941.35	1,595.99	2,194.18	3,012.61	4,050.23
	(f) Depreciation and amortisation expense	1,029.43	991.57	950.60	2,021.00	1,855.07	3,704.62
	(g) Other expenses	11,376.05	10,117.95	11,062.80	21,494.00	20,284.39	41,475.83
	Total Expenses (IV)	41,761.26	32,294.60	40,720.81	74,055.86	71,966.52	1,44,940.09
V	Profit before tax (I-IV)	5,716.06	5,024.18	4,629.09	10,740.24	6,746.37	16,004.98
VI	Tax expense						
	(a) Current Tax	1,468.55	1,074.87	999.68	2,543.42	1,431.52	3,399.29
	(b) Deferred Tax	656.41	611.80	303.82	1,268.21	260.20	851.96
	Total Tax expense	2,124.96	1,686.67	1,303.50	3,811.63	1,691.72	4,251.25
VII	Profit for the period (V-VI)	3,591.10	3,337.51	3,325.59	6,928.61	5,054.65	11,753.73
VIII	Other Comprehensive Income						
	Items that will not be reclassified to profit or loss	(6.00)	(6.00)	8.63	(12.00)	17.27	(24.01)
	Income Tax relating to items that will not be reclassified to profit or loss	2.10	2.10	(3.02)	4.20	(6.04)	8.40
	Other Comprehensive Income (Net of Tax)	(3.90)	(3.90)	5.61	(7.80)	11.23	(15.61)
IX	Total Comprehensive Income for the period (VII+VIII)	3,587.20	3,333.61	3,331.20	6,920.81	5,065.88	11,738.12
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	4,669.84
XI	Other Equity excluding Revaluation Reserve						1,21,569.19
XII	Earnings Per Share (EPS) of Rs. 10 each (not annualised)						
	Basic and Diluted EPS (in Rs.)	7.69	7.15	7.12	14.84	10.82	25.17

Notes:-

- The above unaudited financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") - 34 "Interim Financial Reporting" as prescribed under section 133 of Companies Act, 2013 and has been reviewed by the Audit Committee and approved by the Board of Directors on October 31, 2019. The results have been subjected to limited review by the Statutory Auditors.
- 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.
- Statement of Assets and Liabilities is attached in Annexure I
- Statement of Cash Flow is attached in Annexure II
- Effective April 01, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to its leasehold assets under modified retrospective approach with cumulative effect of initial recognition being given effect to on the date of application. Consequently, such assets have been recognised as "Right of Use" and have been amortised over the term of lease. Further, finance cost in respect of lease liability has been measured and considered in these financial statements. Previously charge on account of this was recognised as lease rent in terms of the agreement. This however does not have any significant impact on the Profit/Loss and Earning Per Share for the period.
- Revenue from operations include Trading Sales as below:

September 30, 2019	Quarter Ended		Half Year Ended		Year Ended
	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
6,572.89	165.49	4,404.92	6,738.38	5,282.40	5,679.53
- The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance, 2019, inserted a new Section 115BAA of the Income Tax Act 1961, which provides an option to the Company for paying income tax at concessional rates subject to the provisions/conditions specified in the said Section. The Company is in the process of evaluating the impact of this ordinance, pending which tax expense has been continued to be recognised at prime rate of taxation. Adjustments, if any needed in this respect will be given effect to in subsequent period.
- The Shareholders in the Annual General Meeting held on September 06, 2019 has approved the final dividend of a dividend of Rs. 6/- per share in respect of the financial year ended March 31, 2019 resulting in dividend outflow of Rs. 2,801.90 lakhs and dividend distribution tax of Rs. 575.90 lakhs.
- Previous periods' figures have been regrouped/rearranged wherever necessary.

Place : Chennai.
 Date : October 31, 2019.

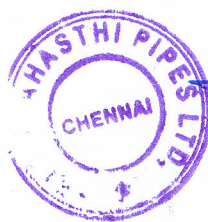


For SRIKALAHASTHI PIPES LIMITED

Gouri Shankar Rathi
 Whole Time Director



SRIKALAHASTHI PIPES LIMITED		Statement of Assets and Liabilities as at September 30, 2019	
Particulars	(Rs. in lakhs)		
	As at September 30, 2019	As at March 31, 2019	
ASSETS			
Non-Current Assets			
a. Property, Plant and Equipment	87,703.90	85,787.00	
b. Capital Work-In-Progress	7,288.79	2,407.09	
c. Other Intangible Assets	48.14	64.72	
d. Financial Assets			
(i) Loans	763.76	763.66	
(ii) Other Financial Assets	158.74	99.97	
e. Other Non Current Assets	344.00	475.44	
Total Non-Current Assets	96,307.33	89,597.88	
Current Assets			
a. Inventories	39,080.70	35,267.97	
b. Financial Assets			
(i) Investments	1,001.00	-	
(ii) Trade Receivables	39,139.89	30,548.02	
(iii) Cash and Cash Equivalents	8,045.97	25,723.19	
(iv) Bank Balances Other than (iii) above	37,876.53	20,557.98	
(v) Loans	10,350.72	6,608.63	
(vi) Other Financial Assets	2,596.16	2,435.17	
c. Current Tax Assets	574.43	476.28	
d. Other Current Assets	2,381.29	7,279.30	
Total Current Assets	1,41,046.69	1,28,896.54	
Total Assets	2,37,354.02	2,18,494.42	
EQUITY AND LIABILITIES			
Equity			
a. Equity Share Capital	4,669.84	4,669.84	
b. Other Equity	1,25,112.20	1,21,569.19	
Total Equity	1,29,782.04	1,26,239.03	
Liabilities			
Non-Current Liabilities			
a. Financial Liabilities			
(i) Borrowings	16,399.18	16,393.17	
b. Provisions	773.35	547.39	
c. Deferred Tax Liabilities (Net)	15,582.20	14,318.23	
d. Other Non Current Liabilities			
(i) Deferred Income	410.26	423.08	
Total Non-Current Liabilities	33,164.99	31,681.87	
Current Liabilities			
a. Financial Liabilities			
(i) Borrowings	26,957.73	18,720.11	
(ii) Trade Payables			
Total Outstanding dues to Micro Enterprises and Small Enterprises	43.38	40.11	
Total Outstanding dues of Creditors Other than Micro Enterprises and Small Enterprises	36,938.45	31,684.21	
(iii) Other Financial Liabilities	5,770.99	5,097.10	
b. Other Current Liabilities	3,986.40	4,297.74	
c. Provisions	710.04	734.25	
Total Current Liabilities	74,406.99	60,573.52	
Total Liabilities	1,07,571.98	92,255.39	
Total Equity and Liabilities	2,37,354.02	2,18,494.42	





SRIKALAHASTHI PIPES LIMITED
Statement of Cash Flow for the Half year ended September 2019

(Rs. in lakhs)

Particulars	For the Half Year ended September 30, 2019		For the Half Year ended September 30, 2018	
A. Cash Flow from operating activities				
Net Profit Before Tax		10,740.24		6,746.37
Adjustments for :				
Finance Cost	2,194.18		3,012.61	
Depreciation and Amortisation Expense	2,021.00		1,855.07	
Deferred Income	12.82		-	
Interest Income on loans, deposits, overdue debts etc.	(2,385.49)		(1,413.94)	
Net gain/(loss) on redemption of current investments	(60.42)	1,782.09	(323.59)	3,130.15
Operating Profit before Working Capital changes		12,522.33		9,876.52
Adjustments for :				
(Increase) / decrease in Loans, Other Financial and Non-Financial Assets	5,060.22		(5,000.81)	
(Increase) / decrease in Trade Receivables	(8,591.87)		(8,269.04)	
(Increase) / decrease in Inventories	(3,812.73)		(7,425.00)	
Increase / (decrease) in Other non-financial Liabilities and provisions	535.69		(478.60)	
(Increase) / decrease in Other current Financial Assets and Non-Financial Assets	200.32		2.84	
Increase / (decrease) in Trade Payables and other financial Liabilities	5,257.51	(1,350.86)	25,225.44	4,054.83
Cash Generated from Operations		11,171.47		13,931.35
Direct Taxes Paid		(2,641.57)		(1,581.54)
Cash from Operating Activities (A)		8,529.90		12,349.81
B. Cash Flow from Investing Activities				
Purchase of Property, Plant and Equipment	(9,088.02)		(1,787.12)	
Interest Received	2,189.87		1,317.35	
(Increase) / decrease in Bank Balances other than Cash and cash equivalents	(17,318.55)		(20.12)	
(Purchase)/ Sale of Current Investments (Net)	(940.58)		21,669.87	
(Increase) / decrease in Inter-Corporate Deposits	(3,730.00)		(14,300.00)	
Increase in security deposits	(0.10)		(164.57)	
Net Cash Flow From Investing Activities (B)		(28,887.38)		6,715.41
C. Cash Flow from Financing Activities				
Long Term Borrowings-Receipts/(Repayments)[Net]	6.01		5,322.02	
Short Term Borrowings-Receipts/(Repayments)[Net]	8,237.62		(17,689.36)	
Interest Paid	(2,213.62)		(3,081.01)	
Dividends (including corporate dividend tax)	(3,349.75)		(3,322.78)	
Net Cash Flow From Financing Activities (C)		2,680.26		(18,771.13)
Net Increase/(Decrease) in Cash and Cash Equivalents(A+B+C)		(17,677.22)		294.09
Cash and Cash Equivalent as at Beginning of Period		25,723.19		20,192.95
Cash and Cash Equivalent as at End of the Period		8,045.97		20,487.04

Notes:

1 The above Cash Flow Statement has been prepared under the " Indirect Method " as set out in the Indian Accounting Standard (IND AS) 7 on Statement of Cash Flows.




Limited Review Report

The Board of Directors
Srikalahasthi Pipes Limited
Andhra Pradesh

1. We have reviewed the accompanying statement of unaudited Financial Results of M/s Srikalahasthi Pipes Limited ('the Company') for the Quarter and six months ended on September 30, 2019 ('the Statement'). We have initialed the statement for identification only.
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 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Lodha & Company
FRN: 301051E
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G. Subramania Sarma
Partner
Mem. No. 021756
Chennai, 31/10/2019



LCO, Chennai



SRIKALAHASTHI PIPES LIMITED

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E-mail : homarketing@srikalahasthipipes.com

PRESS RELEASE

The Board of Directors of Srikalahasthi Pipes Limited at its meeting held on 31st October, 2019 has approved the un-audited financial results for the quarter and half year ended 30th September, 2019.

The profit before tax for the quarter ended 30th September 2019 was Rs. 57.16 crores, as compared to Rs.46.29 crores in the corresponding quarter of previous year. The Profit after tax for the quarter ended 30th September, 2019 is Rs. 35.91crores as against Rs.33.26 crores in the same quarter of previous year.

The cumulative profit after tax for the half year ended 30th September, 2019 was Rs.69.28 crores as against Rs.50.55 crores in the corresponding half year ended 30th September, 2018, thus registering an increase of about 37%. The company is hopeful of the improved working during the current financial year.

Considering the greater focus of Central and State Government towards piped drinking water, the company is positive of maintaining comfortable order book and future growth.

As regards capex plans for increase in Ductile Iron Pipes Capacity, Mr. Rathi informed that a detailed project proposal has been finalized for the expansion programme of 5,00,000 TPA, in line with the approval of the Board of Directors at its meeting held on 22nd July, 2019. He further informed that orders are being placed for the equipment. The new MBF is likely to be commissioned by the end of second quarter and DIP Expansion by the end of fourth quarter of Financial year 2020-21. The Ferro Alloys project will be commissioned after obtaining necessary approvals, which are expected shortly.

Chennai
31st October, 2019



G. S. Rathi
Whole Time Director

Regd. Office & Works :

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