



# SRIKALAHASTHI PIPES LIMITED

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## PRESS RELEASE

The Board of Directors of Sri Kalahasthi Pipes Limited at its meeting held on 3<sup>rd</sup> February, 2020 has approved the un-audited financial results for the quarter ended 31<sup>st</sup> December, 2019.

The profit before tax for the quarter ended 31<sup>st</sup> December, 2019 was Rs.65.13 crores, as compared to Rs.45.15 crores in the corresponding quarter of previous year. The Profit after tax for the quarter ended 31<sup>st</sup> December, 2019 is Rs.67.66 crores as against Rs.31.15 crores in the same quarter of previous year. The company had adopted lower rate of Income Tax after evaluation and hence the charge on account of Income Tax is lower.

The cumulative profit after tax for the nine months ended 31<sup>st</sup> December, 2019 was Rs.136.95 crores as against Rs.81.71 crores in the corresponding nine months ended 31<sup>st</sup> December, 2018, thus registering an increase of about 68%.

Mr. G.S. Rathi, Whole-time Director informed that commercial operations of first furnace of 9 MVA to produce Ferro Silicon has commenced on 16<sup>th</sup> January, 2020 and the operations are stabilized. The 2<sup>nd</sup> furnace of 9 MVA to produce silico manganese will also be commissioned during the current quarter.

He further informed that the expansion plans to put up new MBF, Additional Hot Stove, Raw Material Handling System, Creating the facilities for producing 1200 dia D I Pipes and additional infrastructure to increase the capacity of D I Pipe production is as per schedule.

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### Regd. Office & Works :

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Mr.G.S.Rathi further informed that the externally funded projects tender invited and awarded during 2018-19, which were kept under hold by the present government of Andhra Pradesh, are cleared and revived now. Further, Government of Andhra Pradesh has given administrative sanction in the last month to take up drinking water supply projects in 6 districts of Andhra Pradesh with total estimated project cost of Rs.12,308 crores to ensure supply of potable drinking water in urban and rural areas. Srikalahasthi Pipes will be the major beneficiary of the upcoming water supply projects in Andhra Pradesh. The fund shortage with various governments in southern states during the year is expected to improve from the first quarter of next financial year 2020-21 due to fresh allocations.

He further informed that in the recent union budget an allocation of Rs.3.6 Lakh Crores has been made for "Jal Jeevan Mission" . Considering this initiative and the continuous support of Central and State Governments for water supply and irrigation projects, the Ductile Iron Pipe industry is hopeful of continuous growth.

Chennai

3<sup>rd</sup> February, 2020



G. S. Rathi

Whole Time Director