



# 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

22<sup>nd</sup> July, 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 22<sup>nd</sup> July, 2019.**

The Board at its meeting held today has taken on record the Un-audited financial results for the quarter ended 30<sup>th</sup> June, 2019. Pursuant to Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we enclose herewith the Un-audited financial results for the quarter ended 30<sup>th</sup> June, 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 11.30 AM and concluded at 1.00 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 ENDED JUNE 30, 2019**

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

Sl. No.	Particulars	Quarter Ended			Year Ended
		June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
I	Revenue from Operations	36,082.42	40,869.87	31,499.00	1,55,880.44
II	Other Income	1,236.36	1,291.61	1,863.99	5,064.63
III	<b>Total income (I+II)</b>	<b>37,318.78</b>	<b>42,161.48</b>	<b>33,362.99</b>	<b>1,60,945.07</b>
IV	<b>Expenses:</b>				
	(a) Cost of materials consumed	18,534.64	23,942.26	17,653.73	85,022.36
	(b) Purchase of stock in trade	163.71	391.34	839.00	5,453.80
	(c) Changes in inventories of finished goods and work-in-progress	(727.16)	(842.89)	(629.40)	(2,644.89)
	(d) Employee benefits expense	2,272.54	1,879.27	1,839.70	7,878.14
	(e) Finance Costs	941.35	700.66	1,416.62	4,050.23
	(f) Depreciation and amortisation expense	991.57	919.88	904.47	3,704.62
	(g) Other expenses	10,117.95	10,427.85	9,221.59	41,475.83
	<b>Total Expenses (IV)</b>	<b>32,294.60</b>	<b>37,418.37</b>	<b>31,245.71</b>	<b>1,44,940.09</b>
V	<b>Profit before tax (I-IV)</b>	<b>5,024.18</b>	<b>4,743.11</b>	<b>2,117.28</b>	<b>16,004.98</b>
VI	<b>Tax expense</b>				
	(a) Current Tax	1,074.87	909.82	431.84	3,399.29
	(b) Deferred Tax	611.80	250.10	(43.62)	851.96
	<b>Total Tax expense</b>	<b>1,686.66</b>	<b>1,159.92</b>	<b>388.22</b>	<b>4,251.25</b>
VII	<b>Profit for the period (V-VI)</b>	<b>3,337.52</b>	<b>3,583.19</b>	<b>1,729.06</b>	<b>11,753.73</b>
VIII	<b>Other Comprehensive Income</b>				
	Items that will not be reclassified to profit or loss	(6.00)	(49.91)	8.64	(24.01)
	Income Tax relating to items that will not be reclassified to profit or loss	2.10	17.46	(3.02)	8.40
	Other Comprehensive Income (Net of Tax)	(3.90)	(32.45)	5.62	(15.61)
IX	<b>Total Comprehensive Income for the period (VII+VIII)</b>	<b>3,333.62</b>	<b>3,550.74</b>	<b>1,734.68</b>	<b>11,738.12</b>
X	<b>Paid-up equity share capital (Face Value Rs.10/- per Share)</b>	<b>4,669.84</b>	<b>4,669.84</b>	<b>4,669.84</b>	<b>4,669.84</b>
XI	<b>Other Equity excluding Revaluation Reserve</b>				1,21,569.19
XII	<b>Earnings Per Share (EPS) of Rs. 10 each (not annualised)</b>				
	Basic and Diluted EPS (in Rs.)	7.14	7.60	3.71	25.14

**Notes:-**

1) The above unaudited 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 July, 22, 2019. The results have been subjected to limited review by the Statutory Auditors.

2) 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.

3) Effective April 01, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to its leases 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 and Earning Per Share for the period.

4) Revenue from operations include Trading Sales as below: (Rs. In Lakhs)

	Quarter Ended		Year Ended	
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
	165.49	397.13	877.48	5,679.53

5) The figures for the quarter ended March 31, 2019 is the balancing figures between the audited figures for the full financial year and the year to date figures up to December 31, 2018.

6) Previous periods' figures have been regrouped/rearranged wherever necessary.



For SRIKALAHASTHI PIPES LIMITED



Chairman

Place : Chennai.

Date : July 22, 2019.

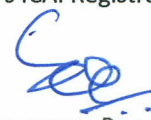
**Limited Review Report**

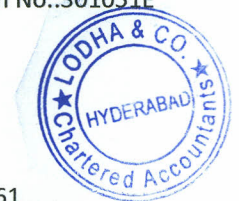
**The Board of Directors  
Srikalahasthi Pipes Limited**

1. We have reviewed the accompanying statement of unaudited Financial Results of Srikalahasthi Pipes Limited ('the Company') for the Quarter ended on June 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.

Place: Chennai  
Date: July 22, 2018

For Lodha & Co,  
Chartered Accountants  
Firm's ICAI Registration No.:301051E

  
K Someswara Rao  
Partner  
Membership No.052061



UDIN No: 19052061AAAAAI5176



# SRIKALAHASTHI PIPES LIMITED

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## **PRESS RELEASE**

### **Srialahasthi Pipes increases capacity from 3,00,000 to 5,00,000 TPA**

The Board of Directors of Srialahasthi Pipes Limited at its meeting held on 22<sup>nd</sup> July, 2019, has approved the unaudited financial results of the first quarter ended 30<sup>th</sup> June, 2019.

The profit before tax for the quarter ended 30<sup>th</sup> June 2019 was Rs.50.24 crores, as compared to Rs.21.17 crores in the corresponding quarter of previous year. The Profit after tax for the quarter ended 30<sup>th</sup> June, 2019 is Rs.33.37 crores as against Rs.17.29 crores in the same quarter of previous year. The production of Ductile Iron Pipe during the quarter 65,518 tonnes as against 59,555 tonnes in the corresponding quarter.

Mr. G S Rathi, Whole Time Director of the Company informed that during the quarter under review, the Company took a planned shutdown of its plant for a period of about ten days as part of routine maintenance. Similar shutdown for 15 days was taken during the corresponding quarter of previous year also.

He informed that considering the growing demand of Ductile Iron Pipes (DIP), the Board in its Meeting held on 22<sup>nd</sup> July, 2019 has approved to increase the capacity of its Ductile Iron Pipe plant from the present capacity of 3,00,000 MT to 5,00,000 MT per annum. To attain 500000 MT per annum hot metal production it is proposed to install additional Sinter Plant, increased Furnace Blowing System, additional Hot Blast Stove, Oxygen Enrichment and all auxiliaries along with higher furnace volume. In order to consume the 1400 TPD hot metal in D.I.Pipe plant, additional facilities are planned as new hot metal handling and distribution system with converter, new induction furnaces in place of existing, additional casting machines, new annealing furnace, modification and shifting of existing finishing line, additional steam curing chamber, additional bitumen coating line and creating other required infrastructures. The total investment to increase the present capacity from 3,00,000 to 5,00,000 MT per annum will be around Rs.400 crores. The Board in its previous Meeting had already sanctioned capex of Rs.145 crores and the balance capex of around Rs 255 crores is approved in this Board Meeting. The estimated time of commissioning the new Blast Furnace is 3<sup>rd</sup> quarter of 2020 and commissioning of increased capacity of Ductile Iron Pipe plant by end of March, 2021. The investment required will be met from available funds and internal accruals.

#### **Regd. Office & Works :**

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He informed that the Ferro Alloys Project is under final stages of execution and as planned the first furnace will be commissioned by September'19 and the second furnace by December, 2019.

Mr.Rathi further informed that water is getting high attention from policy makers. After the NDA government came back to power in May, 2019, the erstwhile Ministry of Water Resources and Drinking Water & Sanitation have been merged in the Ministry of Jal Shakti in May 2019 itself. As a result, all water related departments like surface water, ground water, river rejuvenation, etc. and departments looking at the use of water have come under a single ministry, which will bring greater focus to the water supply. With the announcement of "**Nal se Jal**" scheme, the water and sanitation is likely to attract investment worth Rs.6.3 lakh crores in the next 5 years. This scheme aims to provide piped water supply to every household by 2024 is likely to lead to a massive jump in investment in water and sanitation. Considering the greater focus of Central and State Government towards piped drinking water, the company is hopeful of maintaining comfortable order book and future growth.

Chennai  
22<sup>nd</sup> July, 2019



  
G. S. Rathi  
Whole Time Director