



# 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/2018-19

31<sup>st</sup> January, 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 31<sup>st</sup> January, 2019**

The Board at its meeting held today has taken on record the Un-audited financial results for the quarter ended 31<sup>st</sup> December, 2018. Pursuant to Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we enclose herewith the Un-audited financial results for the quarter ended 31<sup>st</sup> December, 2018 along with Limited Review Report of the auditors thereon.

We further inform the following:- -

1. Mr. G. Maruthi Rao and Mr. S.Y. Rajagopalan serving as independent directors have submitted their resignations on the grounds of age and relinquished from their directorships after the conclusion of the Board Meeting.
2. The Board based on the recommendation of Nomination and Remuneration Committee has approved the appointment of Mr. T. Venkatesan, as an Additional Director (Independent) on the Board of Directors of the Company with effect from 31<sup>st</sup> January, 2019.
3. The Board has also approved the appointment of Mr. R.K. Khanna, Independent Director as the Chairman of the Board with effect from 31<sup>st</sup> January, 2019.
4. Consequent to change in directors, the Board has approved reconstitution of Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee with effect from 1<sup>st</sup> February, 2019.





Continuation sheet

Pursuant to SEBI's Circular dated 9<sup>th</sup> September, 2015, we give below brief profiles in respect of appointment of director approved by the Board:

**Profile of Mr. T. Venkatesan :** Shri T Venkatesan is a graduate in Economics and a member of the Institute of Chartered Accountants of India. He has over 40 years of experience in Sugar, Power, Automobile, Metals and Cement industries. While Shri T.Venkatesan has worked in large Corporates like, Eicher Tractors, Triveni Engg Works Ltd., AV Birla Group and Vedanta Ltd., his last stint prior to Dalmia Bharat Ltd was in Vedanta Group as CEO, Sterlite Industries and CEO and wholetime Director of Vedanta Alumina Ltd.,

He joined Dalmia Group as CEO & Wholetime Director of Dalmia Cement Bharat Ltd., in 2006 and now continues as a Board member both in Dalmia Cement Bharat Ltd and Dalmia Bharat Sugar and Industries Ltd.,

**Relationship of Mr. Venkatesan with other Directors:** Mr. Venkatesan has no interest or concern or any relationship with other directors of the Company.

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 2.20 PM

Thanking you,

Yours faithfully,  
**For SRIKALAHASTHI PIPES LIMITED**

**G. KODANDA PANI**  
**Sr.Dy.General Manager – Finance**  
**& Company Secretary**



# SRIKALAHASTHI PIPES LIMITED

148/150, Luz Church Road, Mylapore, Chennai - 600 004, India.

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E-mail : homarketing@srikalahasthipipes.com

## **PRESS RELEASE**



### **Board Meeting of Srikalahasthi Pipes Limited – QIII Financial Results**

The Board of Directors of Srikalahasthi Pipes Limited approved the un-audited financial results for the quarter and nine months ended 31<sup>st</sup> December, 2018 at its meeting held today at Chennai.

The Company has achieved quarterly production of 79,491 tonnes during the quarter ended 31<sup>st</sup> December, 2018, as compared to 67,271 tonnes which is higher by about 18% vis-à-vis corresponding quarter of the previous year.

The profit before tax for the quarter ended 31<sup>st</sup> December, 2018 was Rs.45.19 crores, compared to Rs.53.24 crores reported in the corresponding quarter of previous year. The Profit after tax for the quarter under review is Rs.31.15 crores as against Rs.39.46 crores in the same quarter of the previous year. Mr. G. S. Rathi, Whole Time Director of the company informed that the profitability of the Company has been affected mainly on account of higher cost of raw materials mainly of imported coal.

As regards the Capex under progress, he informed that the Company's project for installation of additional boiler to facilitate higher power generation was successfully commissioned during the quarter and the boiler is in operation satisfactorily. The work with regard to the Ferro Alloys project is going in full stream and the first furnace will be commissioned by September and the second by December, 2019 respectively. The production facility of 1200mm dia D.I. Pipe is under implementation and will be commissioned by the end of March 2020.

Mr. G. S. Rathi, Director, further informed that the company has decided to put up a new MBF of 350 M<sup>3</sup> to replace the existing one and the same will be commissioned by June 2020. The company is also in the process of identifying and removing the likely bottlenecks in the existing D I Pipes plant to consume additional liquid metal that will increase the production of D I Pipes.

He further informed that the order book position as on date is comfortable and the trend is expected to continue because of Government initiatives towards higher investments in water supply and irrigation projects in Southern States and more particularly in Andhra Pradesh.

Chennai

31<sup>st</sup> January, 2019

(G. S. Rathi)  
Whole Time Director

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

Rachagunneri -517 641, Srikalahasthi Mandal, Chittoor District, Andhra Pradesh, India.

Tel : +91 8578-286650 to 55, Fax : +91 8578-286657, 287688

Website : www.srikalahasthipipes.com CIN : L74999AP1991PLC013391

**DNV-GL**

QUALITY  
MANAGEMENT  
CERTIFIED

ENVIRONMENTAL  
MANAGEMENT  
CERTIFIED

## 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 NINE MONTHS ENDED DECEMBER 31, 2018

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

Sl. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		December 31, 2018	September 30, 2018	December 31, 2017	December 31, 2018	December 31, 2017	March 31, 2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	Revenue from Operations	39,735.62	43,775.95	40,816.25	115,010.57	123,167.43	159,423.25
II	Other Income	1,244.86	1,573.95	1,646.76	4,682.80	3,649.77	5,132.81
III	<b>Total income (I+II)</b>	<b>40,980.48</b>	<b>45,349.90</b>	<b>42,463.01</b>	<b>119,693.37</b>	<b>126,817.20</b>	<b>164,556.06</b>
IV	<b>Expenses:</b>						
	(a) Cost of materials consumed	21,629.42	21,796.95	17,955.56	61,080.10	55,909.25	74,098.68
	(b) Purchase of stock in trade	-	4,223.46	5,202.03	5,062.46	12,459.26	12,514.40
	(c) Changes in inventories of finished goods and work-in-progress	(189.71)	(982.89)	221.90	(1,802.00)	(49.83)	664.38
	(d) Excise Duty on Sale of goods	-	-	-	-	743.77	743.77
	(e) Employee benefits expense	2,085.27	2,073.90	1,823.82	5,998.87	5,588.39	7,505.95
	(f) Finance Costs	2,282.51	1,595.99	1,380.90	5,295.12	4,415.18	5,865.09
	(g) Depreciation and amortisation expense	929.67	950.60	888.28	2,784.74	2,700.11	3,544.82
	(h) Other expenses	9,727.82	11,062.80	9,666.37	30,012.21	29,548.83	39,525.55
	<b>Total Expenses (IV)</b>	<b>36,464.98</b>	<b>40,720.81</b>	<b>37,138.86</b>	<b>108,431.50</b>	<b>111,314.96</b>	<b>144,462.64</b>
V	<b>Profit before tax (I-IV)</b>	<b>4,515.50</b>	<b>4,629.09</b>	<b>5,324.15</b>	<b>11,261.87</b>	<b>15,502.25</b>	<b>20,093.42</b>
VI	<b>Tax expense</b>						
	(a) Current Tax	1,057.94	999.68	1,346.89	2,489.46	3,760.00	4,263.40
	(b) Deferred Tax	341.66	303.82	30.71	601.86	434.59	1,089.86
	<b>Total Tax expense</b>	<b>1,399.61</b>	<b>1,303.50</b>	<b>1,377.60</b>	<b>3,091.33</b>	<b>4,194.59</b>	<b>5,353.26</b>
VII	<b>Profit for the period (V-VI)</b>	<b>3,115.89</b>	<b>3,325.59</b>	<b>3,946.55</b>	<b>8,170.54</b>	<b>11,307.66</b>	<b>14,740.16</b>
VIII	<b>Other Comprehensive Income</b>						
	Items that will not be reclassified to profit or loss	8.64	8.63	2.63	25.91	(7.89)	34.54
	Income Tax relating to items that will not be reclassified to profit or loss	(3.03)	(3.02)	(0.91)	(9.07)	2.73	(11.95)
	<b>Other Comprehensive Income (Net of Tax)</b>	<b>5.61</b>	<b>5.61</b>	<b>1.72</b>	<b>16.84</b>	<b>(5.16)</b>	<b>22.59</b>
IX	<b>Total Comprehensive Income for the period (VII+VIII)</b>	<b>3,121.50</b>	<b>3,331.20</b>	<b>3,948.27</b>	<b>8,187.38</b>	<b>11,302.50</b>	<b>14,762.75</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>	<b>4,669.84</b>	<b>4,669.84</b>
XI	<b>Other Equity excluding Revaluation Reserve</b>						113,208.90
XII	<b>Earnings Per Share (EPS) of Rs. 10 each (not annualised)</b>						
	Basic and Diluted EPS (in Rs.)	6.68	7.13	9.85	17.53	28.35	35.53

Notes:-

1) The above financial results prepared in accordance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular dated July 5, 2016, have been reviewed by Audit Committee and approved by the Board of Directors at its meeting held on January 31, 2019. The results have been subjected to limited review by the Statutory Auditors.

2) Goods and Service Tax (GST) has been implemented with effect from July 1, 2017 and therefore revenue from operation for the quarter and nine months ended December 31, 2018 are net of GST. Revenue from operations and expenses for the nine months ended December 31, 2017 being inclusive of Excise duty for the period up to June 30, 2017 and are not comparable

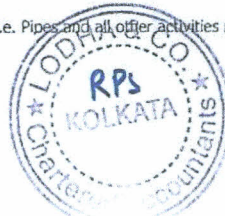
(Rs. in lakhs)

Particulars	Nine Months Ended	Year Ended
	31.12.2017	31.03.2018
	(Unaudited)	(Audited)
Revenue from Operations (inclusive of excise duty) (A)	123,167.43	159,423.25
Excise Duty on Sale of goods (B)	743.77	743.77
Revenue from Operations (Excluding of excise duty) (A-B)	122,423.66	158,679.48

3) Revenue from Operations includes Trading Sales of Rs. Nil for the current quarter and Rs.5282.40 lakhs for nine months ended 31/12/18 as against Rs.5247.68 for the immediately preceding quarter ended 30/9/18 and Rs.12764.75 Lakhs for nine months ended 31/12/2017.

4) In terms of INDAS 108 "Operating Segment", the Company has one business segment i.e. Pipes and all other activities revolve around said business.

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



For SRIKALAHASTHI PIPES LIMITED

*G. Maruthi Rao*  
G. Maruthi Rao  
Chairman

Place : Chennai.

Date : January 31, 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 and Nine Months ended on December 31, 2018 ('the Statement'). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ('the SEBI Regulations'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016 and has been initialed by us for the purpose of identification.
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, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Kolkata  
Date: January 31, 2019For Lodha & Co,  
Chartered Accountants  
Firm's ICAI Registration No.:301051E**R.P. Singh**  
R. P. Singh  
Partner  
Membership No. 52438