



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/2016-17

1st December, 2016

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

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

Dear Sir,

Sub: Board Meeting of the Company held on 1st December, 2016

The Board at its meeting held today has taken on record and approved the Un-audited financial results for the quarter ended 30th September, 2016. We further inform that the Board has also approved :-

1. The appointment of Mr.Kartikeya Misra, IAS as a Director on the Board of Directors of the Company as nominated by Andhra Pradesh Industrial Development Corporation Limited (APIDC).
2. The appointment of Mr.N.Sivalai Senthilnathan as Chief Financial Officer of the Company.

Pursuant to Regulation 33 of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015, we enclose the following :-

1. Un-Audited financial results for the quarter ended 30th September, 2016 as approved by the Board.
2. Auditors' Limited Review Report on the Un-audited financial results.

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 2.30 PM and concluded at 4.15 PM.

Thanking you,

Yours faithfully,
For SRIKALAHASTHI PIPES LIMITED

K.RAGHURAM
Company Secretary



K.R. BAPUJI & CO
CHARTERED ACCOUNTANTS

"KRB House", H.No. 1-65/29, Plot No.29, Kavuri Hills, Phase-III, Guttala Begumpet,
Madhapur (PO), Hyderabad-500081, Telangana
Telephones : 040-40034465-42000157 :: Email: krbapujico@gmail.com

INDEPENDENT AUDITOR'S REVIEW REPORT

To
The Board of Directors
SRIKALAHASTHI PIPES LIMITED (formerly LANCO INDUSTRIES LIMITED)

We have reviewed the accompanying statement of unaudited financial results of **Srikalahasthi Pipes Limited (formerly Lanco Industries Limited)** ("the Company") for the quarter and six months ended September 30, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This statement, which is the responsibility of the Company's management and has been approved by the Board of Directors of the Company, 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 thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the statement based on our review.

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 statement is free of material misstatement. A review of interim financial information 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.

Based on our review of the Statement conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with aforesaid Indian Accounting Standard and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For K. R. BAPUJI & CO.
Chartered Accountants
Firm Registration No.000395S

P R SATISH
Partner
Membership No. 219432



Place : Chennai
Date : December 01, 2016

SRICALAHASTHI PIPES LIMITED

(Formerly Lanco Industries Limited)

Read. Office & Works: Rachagunneri-517641, Srikalahasthi Mandal, Chittoor District, Andhra Pradesh

CIN : L74999AP1991PLC013391; email: companysecretary@srikalahasthipipes.com; Website : www.srikalahasthipipes.com

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER '16

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

Sl. No.	Particulars	Quarter Ended			Half Year Ended	
		30.09.2016 (Unaudited)	30.09.2015 (Unaudited)	30.06.2016 (Unaudited)	30.09.2016 (Unaudited)	30.09.2015 (Unaudited)
1	Income from operations					
	a. Gross Sales / Income	17,980.50	30,351.03	28,656.23	46,636.73	56,955.55
	b. Less: Excise Duty	490.79	881.57	734.23	1,225.02	1,900.86
	c. Net Sales / Income from operations	17,489.71	29,469.46	27,922.00	45,411.71	55,054.69
	d. Other Operating Income					
	Total Income from operations (Net)	17,489.71	29,469.46	27,922.00	45,411.71	55,054.69
2	Expenses:					
	(a) Cost of materials consumed	6,088.96	13,578.18	10,977.18	17,066.14	25,375.98
	(b) Purchases of stock in trade	0.54	605.95	-	0.54	1,296.44
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	99.90	(414.35)	(445.68)	(345.78)	(948.37)
	(d) Employee benefits expense	1,769.51	1,729.14	1,855.82	3,625.33	3,317.39
	(e) Depreciation and amortisation expense	905.16	859.93	1,000.53	1,905.69	1,725.17
	(f) Other expenses	5,984.48	7,280.36	7,999.67	13,984.15	13,075.11
	Total Expenses	14,848.54	23,639.21	21,387.53	36,236.07	43,842.52
3	Profit from operations before other income, finance costs and exceptional items (1-2)	2,641.17	5,830.25	6,534.47	9,175.64	11,212.57
4	Other Income	1,635.72	392.81	548.18	2,183.90	654.43
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	4,276.89	6,223.06	7,082.65	11,359.54	11,867.00
6	Finance costs	749.57	1,327.60	1,199.89	1,949.46	2,292.59
7	Profit from ordinary activities after finance costs but before exceptional items (5 + 6)	3,527.32	4,895.47	5,882.76	9,410.08	9,574.42
8	Exceptional items					
9	Profit from ordinary activities before tax (7 + 8)	3,527.32	4,895.47	5,882.76	9,410.08	9,574.42
10	Tax expense	929.60	1,463.06	1,585.99	2,515.59	2,688.84
11	Net Profit from ordinary activities after tax (9 + 10)	2,597.72	3,432.40	4,296.77	6,894.49	6,885.58
12	Extraordinary items					
13	Net Profit for the period (11 + 12)	2,597.72	3,432.40	4,296.77	6,894.49	6,885.58
14	Other Comprehensive Income (net of tax)	(5.74)	(0.55)	(5.74)	(11.48)	(1.10)
15	Total Comprehensive Income for the period (13+14)	2,591.98	3,431.85	4,291.03	6,883.01	6,884.47
16	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
17	Earnings Per Share (EPS)					
	(a) Basic and Diluted EPS before extraordinary items (not annualised) (in Rs.)	6.53	8.63	10.81	17.34	17.32
	(b) Basic and Diluted EPS after extraordinary items (not annualised) (in Rs.)	6.53	8.63	10.81	17.34	17.32

Statement of Assets and Liabilities

Sl. No.	Particulars	30.09.2016 (Unaudited)
A	ASSETS	
1	Non-current assets	
	(a) Property Plant and equipment	48,728.53
	(b) Capital work-in-progress	9,915.95
	(c) Financial Assets	
	(i) Other Financial Assets	625.06
	Sub Total Non-current assets	59,269.55
2	Current assets	
	(a) Inventories	17,921.62
	(b) Financial Assets	
	(i) Trade receivables	15,511.34
	(ii) Cash and Bank balances	1,026.07
	(iii) Loans	3,504.30
	(iv) Investments	9,705.62
	(c) Other current assets	1,595.38
	Sub Total Current assets	49,264.34
	TOTAL - ASSETS	108,533.88
B	EQUITY AND LIABILITIES	
1	Shareholders' funds	
	(a) Equity Share Capital	3,976.36
	(b) Other Equity	44,970.91
	Sub Total Shareholders' funds	48,947.27
2	Non-current liabilities	
	(a) Financial Liabilities	
	(i) Borrowings	7,792.32
	(ii) Other Financial liabilities	501.74
	(b) Provisions	616.25
	(c) Deferred tax liabilities (net)	4,494.08
	Sub Total Non-current liabilities	13,404.38
3	Current liabilities	
	(a) Financial Liabilities	
	(i) Borrowings	32,334.08
	(ii) Trade payables	5,213.16
	(iii) Other Financial liabilities	7,825.85
	(b) Provisions	809.15
	Sub Total Current liabilities	46,182.23
	TOTAL - EQUITY AND LIABILITIES	108,533.88

Notes:-

- The above financial results, have been reviewed by Audit Committee and approved by the Board of Directors at its meeting held on 1st December, 2016. The above results have been subjected to Limited Review by the Statutory Auditors.
- The Company has adopted the Indian Accounting Standards (Ind AS) from 1st April, 2016 as notified under Companies (Indian Accounting Standards) Rules 2015 as amended by Companies (Indian Accounting Standards) Rules 2016 and the comparative figures for the corresponding Quarter of the previous year (Transition Date being 01.04.2015) have accordingly been restated.
- The sales for the quarter under review is lower due to reduced production of Ductile Iron Pipes, consequent to the planned shutdown of Mini Blast Furnace.
- The Company has only "Pipes" as a significant reportable segment.
- The impact / reconciliation on net profit, total comprehensive income or any other relevant financial item(s) due to change(s) in accounting policies consequent upon introduction of IND AS for the quarter and half year ended 30th September, 2015 is given below: -

Description	Rs. in Lakhs	
	Quarter Ended 30.09.2015	Half Year Ended 30.09.2015
Net profit under previous GAAP	3,734.99	7,127.58
Actuarial (gain)/loss on employee defined benefit Plans recognised in other comprehensive income	0.84	1.68
Reclassification of Property Plant and Equipment	(190.26)	(380.52)
Finance Costs as per Effective Interest Rate method	(58.19)	(118.33)
Effect on measuring financial instrument at fair valuation of Forward and Derivative contract	(215.14)	127.07
Effect of Deferred Taxes on above	160.16	128.09
Net Profit for the period under IND AS	3,432.40	6,885.57
Other comprehensive income, net of income tax:		
Actuarial gain/(loss) on employee defined benefit plans	(0.55)	(1.10)
Total Comprehensive Income under IND AS	3,431.85	6,884.47

- Figures of the previous period are regrouped / rearranged wherever necessary to conform to the figures of current period.

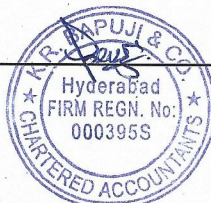
FOR IDENTIFICATION PURPOSE ONLY

For SRICALAHASTHI PIPES LIMITED

G. Maruthi Rao

G. Maruthi Rao
Chairman
DIN 00083950

Place : Chennai.
Date : 1st December, 2016.





SRIKALAHASTHI PIPES LIMITED

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

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PRESS RELEASE

Srikalahasthi: 1st December, 2016:

The Board of Directors of Srikalahasthi Pipes Limited approved the un-audited financial results for the quarter ended 30th September, 2016 at their Meeting held on 1st December, 2016.

The Profit before tax for the quarter ended 30th September, 2016 decreased to Rs.35.27 Crores compared to Rs.48.95 Crores registered in the corresponding quarter of the previous year. The Profit after tax for the quarter under review is Rs.25.97 Crores as against Rs.34.32 Crores reported in the quarter ended 30th September, 2015.

Mr. G. S. Rathi, Whole-time Director, informed that the production was lower as compared to the earlier quarter ended 30th June, 2016, consequent to the Company taking shut down of the Mini Blast Furnace (MBF) from 4th August, 2016 for a period of about 30 days. During this period, the entire relining of the furnace along with modernisation to reduce the cost of production of liquid metal was undertaken and the furnace is performing now satisfactorily from the current quarter.

Regd. Office & Works :

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

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He further informed that the ongoing expansion programme of Rs.100 Crores comprising up-gradation and modification of Blast Furnace and augmentation of Ductile Iron Pipes capacity to 3,00,000 tonnes per annum is completed.

The Government of Andhra Pradesh has not extended power subsidy of Rs.1.50 per unit for new Ferro Alloy units in the State. The company has deferred the Ferro Silicon project as it is unviable without power subsidy and pursuing with Andhra Pradesh Government to reconsider this subsidy which will generate additional revenue and employment in the State.

He also informed that the company is taking necessary steps to mitigate the steep increase in prices of coking coal by effecting production efficiency and by increasing the prices wherever possible.

For SRIKALAHASTHI PIPES LIMIED



G.S.RATHI
Whole-time Director