

**KEERTHI INDUSTRIES LIMITED**

CIN-L26942TG1982PLC003492

Regd. Office: Mellacheruvu Village & Mandal, Suryapet District, Telangana-508246.

**AUDITED FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED MARCH 31, 2018**

(Rs. In lakhs)

Particulars	For the Quarter Ended			For the Year Ended	
	31-Mar-18	31-Dec-17	31-Mar-17	31-Mar-18	31-Mar-17
	Audited	Unaudited	Audited	Audited	Audited
I Revenue from operations	4,902.30	4,402.05	5,403.17	19,259.33	19,827.30
II Other income	51.33	47.18	49.93	295.01	191.25
<b>III Total Revenue(I+II)</b>	<b>4,953.63</b>	<b>4,449.23</b>	<b>5,453.11</b>	<b>19,554.34</b>	<b>20,018.55</b>
<b>IV Expenses</b>					
Cost of materials consumed	562.16	516.62	521.97	2,066.20	1,947.01
Purchase of stock in trade	-	-	-	-	-
Power & Fuel	1,873.66	1,733.48	1,546.12	7,268.79	6,541.43
Change in inventories of finished goods, stock in trade and work in progress	55.35	64.61	169.56	(159.45)	63.51
Employee benefit Expenses	370.22	343.86	373.03	1,439.73	1,404.74
Finance costs	161.12	182.84	190.14	691.63	702.34
Depreciation and amortisation expenses	264.15	269.08	257.64	1,058.25	878.76
Other expenses	1,789.68	1,293.30	2,067.45	6,013.59	6,670.71
<b>Total Expenses(IV)</b>	<b>5,076.34</b>	<b>4,403.80</b>	<b>5,125.90</b>	<b>18,378.74</b>	<b>18,208.50</b>
V Profit/(loss) before exceptional items and tax(III-IV)	(122.71)	45.42	327.21	1,175.59	1,810.05
VI Exceptional Items	(0.00)	(80.06)	-	(80.24)	-
<b>VII Profit/(loss) before tax (V+VI)</b>	<b>(122.71)</b>	<b>(34.63)</b>	<b>327.21</b>	<b>1,095.35</b>	<b>1,810.05</b>
<b>VIII Tax expense:</b>					
Current tax	(166.76)	(0.00)	52.09	240.86	414.21
Deferred tax	(106.79)	105.09	202.28	213.34	256.57
Earlier years excess tax provision	-	-	-	(154.16)	-
<b>IX Profit/(loss) for the period from continuing operations (VII-VIII)</b>	<b>150.84</b>	<b>(139.73)</b>	<b>72.84</b>	<b>795.32</b>	<b>1,139.27</b>
X Profit/(loss) from discontinued operations	-	-	-	-	-
XI Tax expense on discontinued operations	-	-	-	-	-
<b>XII Profit/(loss) from discontinued operations (after tax) (X-XI)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XIII Profit/(loss) for the period (IX+XII)</b>	<b>150.84</b>	<b>(139.73)</b>	<b>72.84</b>	<b>795.32</b>	<b>1,139.27</b>
<b>XIV OTHER COMPREHENSIVE INCOME</b>					
A-(i) Items that will not be reclassified to the profit or loss	(48.82)	-	36.82	(48.82)	36.82
(ii) Income tax on items that will not be reclassified to the profit or loss	16.90	-	(12.74)	16.90	(12.74)
B-(i) Items that will be reclassified to the profit or loss	-	-	-	-	-
(ii) Income tax on items that will be reclassified to the profit or loss	-	-	-	-	-
<b>Total Other Comprehensive Income (net of taxes)</b>	<b>(31.93)</b>	<b>-</b>	<b>24.08</b>	<b>(31.93)</b>	<b>24.08</b>
<b>XV Total Comprehensive Income for The Period (XIII+XIV)</b>	<b>118.91</b>	<b>(139.73)</b>	<b>96.92</b>	<b>763.39</b>	<b>1,163.35</b>
<b>XVI Earnings per Equity share (for continuing operations) -Basic and diluted</b>	<b>1.88</b>	<b>(1.74)</b>	<b>0.91</b>	<b>9.92</b>	<b>14.21</b>
<b>XVII Earnings per Equity share (for discontinued operations) -Basic and diluted</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XVIII Earnings per Equity share (for discontinued &amp; continuing operations) - Basic and diluted</b>	<b>1.88</b>	<b>(1.74)</b>	<b>0.91</b>	<b>9.92</b>	<b>14.21</b>
Weighted average number of equity shares (Face Value of Rs. 10 each)	80,16,738	80,16,738	80,16,738	80,16,738	80,16,738

**Notes:**

- The above results for the quarter/year ended 31st March 2018, were reviewed by Audit Committee and approved by the Board of Directors at the meeting held on 30th May, 2018 and Statutory Auditors have audited them.
- The Financial Results of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company adopted Ind AS from 1st April 2017 and accordingly the financial results (including for all the period presented in accordance with Ind AS 101 - First time adoption of Indian Accounting Standards) have been prepared in accordance with Ind AS prescribed under section 133 of the Companies Act 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India.
- The format for quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15-2015, dated 30th November 2015, has been modified to comply with requirements of SEBI's circular dated 5th July, 2016.
- Expenses are recognised in statement of profit and loss using a classification based on the nature of expense method as per para 99 of Ind AS 1, Presentation of financial statements
- The results for the quarter/year ended 31st March 2017 has been restated to comply with Ind AS to make them comparable.
- The above mentioned income from operations are disclosed inclusive of excise duty except for current quarter ended 31st March 2018 and previous quarter ended 31st December 2017. For these 2 quarters, GST collected on sales is excluded from Revenue as per Ind AS 18 - Revenue.
- The figures of the Current Quarter and quarter ended 31st March 2017 are the balancing figures between the audited figures for the full financial year ended 31st March 2018 and 31st March 2017 respectively and the published year to date figures upto third quarter ended 31st December 2017 and 31st December 2016 respectively.
- Consequent to transition to Ind AS, in accordance with para 32 of Ind AS 101 - First time adoption of Ind AS, reconciliation between net profit under 'Previous Indian GAAP' and total comprehensive income as per Ind AS for the quarter/ year ended 31st March 2017 is as follows:

Reconciliation of Net profit between the financial results as previously reported (referred to as "Previous GAAP") and Ind AS are as under:

Nature of Adjustments	Note no	For Quarter Ended	For Year ended
		31-Mar-17	31-Mar-17
(1) Net Profit under previous IGAAP		198.15	1,331.85
<b>(2) Adjustments</b>			
(i) Inclusion of Excise duty in Revenue from Sale of Products		794.75	3,013.82
Inclusion of Excise duty in Rates & Taxes		(794.75)	(3,013.82)
Exclusion of VAT & CST in Revenue from Sale of Products	(i)	(381.47)	(2,407.26)
Exclusion of VAT & CST in Rates & Taxes		381.47	2,407.26
(ii) Government Grant on measurement of Sales tax deferrment at fair value (amortised cost)	(ii)	28.70	114.79
Unwinding of Interest Expense on Sales tax deferrment		(28.91)	(110.16)
(iii) Preference Dividend Recognised as Finance Cost	(iii)	(24.06)	(96.24)
(iv) Reversal of excess depreciation on reversal of processing charges capitalised and measurement of Term Loans at amortised cost		0.38	0.45
Amortisation of processing charges to P&L account on measuring Interest using Effective Interest Method	(iv)	(2.79)	(2.79)
(v) Actuarial (Gains)/Losses recognised in OCI	(v)	(36.82)	(36.82)
(vi) Deferred tax on above adjustments		(61.80)	(61.80)
Total (2)		(125.31)	(192.57)
(3) Net profit for the period under Ind AS (1+2)		72.84	1,139.27
(4) Other Comprehensive Income for the period (net of tax)	(v)	24.08	24.08
(5) Total Comprehensive Income under Ind AS (3+4)		96.92	1,163.35

(i) As per Ind AS, Revenue includes only the gross inflows of economic benefits received and receivable by the entity on its own account.

(ii) As per Ind AS, Sales tax deferrment is shown at fair value and the benefit is recognised in statement of profit and loss as government grant.

(iii) As per Ind AS, Preference Shares have been designated as financial liability measured at amortised cost and dividend (including Dividend Distribution Tax - DDT) is taken as finance cost.

(iv) As per Ind AS, Processing fees paid for obtaining a loan forms part of effective interest rate applicable to the loan. Hence, processing fees capitalised as per previous GAAP is now reversed and considered in computing effective interest rate.

(v) As per Ind AS, Actuarial Gains/Losses are to be recognised in Other Comprehensive Income and corresponding tax impact on them is also recognised in Other Comprehensive Income.

Place : Hyderabad  
Date : 30th May 2018

For Keerthi Industries Limited  
(Er. A.S.RAO)  
Managing Director & CFO  
DIN: 00029090

**AUDITED SEGMENT-WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER/YEAR ENDED MARCH 31, 2018**

(Rs. In lakhs)

Particulars	For the Quarter Ended			For the Year Ended	
	31-Mar-18	31-Dec-17	31-Mar-17	31-Mar-18	31-Mar-17
	Audited	Unaudited	Audited	Audited	Audited
<b>1. Segment Revenue</b> (Inclusive of excise duty from each segment)					
a) Cement	4,689.53	4,168.09	5,111.22	18,356.13	18,904.83
b) Energy	16.62	14.99	18.67	93.69	105.69
c) Electronics	196.15	218.97	273.27	809.51	816.78
Total	4,902.30	4,402.05	5,403.17	19,259.33	19,827.30
Less: Inter Segment Revenue	-	-	-	-	-
<b>Net Sales/Income from Operations</b>	<b>4,902.30</b>	<b>4,402.05</b>	<b>5,403.17</b>	<b>19,259.33</b>	<b>19,827.30</b>
<b>2. Segment Results (Profit)(+)/Loss (-) before Tax and Finance charges from each segment)</b>					
a) Cement	64.25	141.40	404.01	1,728.92	2,301.04
b) Energy	(2.61)	7.55	6.44	39.17	52.01
c) Electronics	(19.59)	0.18	109.71	24.33	163.64
Total	<b>42.05</b>	<b>149.13</b>	<b>520.16</b>	<b>1,792.41</b>	<b>2,516.69</b>
Less: i) Finance charges	161.12	182.84	190.13	691.63	702.34
ii) Other Un-allocable Expenditure net off	3.64	0.92	2.82	5.43	4.31
Add: Un-allocable income	-	-	-	-	-
<b>Total Profit before Tax</b>	<b>(122.71)</b>	<b>(34.63)</b>	<b>327.20</b>	<b>1,095.35</b>	<b>1,810.05</b>
<b>3. Segment Assets</b>					
a) Cement	14,825.70	14,446.49	15,304.23	14,825.70	15,304.23
b) Energy	390.23	391.30	416.06	390.23	416.06
c) Electronics	1,567.31	1,567.31	1,874.91	1,567.31	1,874.91
d) Unallocated	274.08	131.58	-	274.08	-
Total	<b>17,057.32</b>	<b>16,536.68</b>	<b>17,595.20</b>	<b>17,057.32</b>	<b>17,595.20</b>
<b>4. Segment Liabilities</b>					
a) Cement	10,219.46	9,900.86	10,156.56	10,219.46	10,156.56
b) Energy	-	-	-	-	-
c) Electronics	209.71	155.52	147.64	209.71	147.64
d) Unallocated	929.26	900.31	2,355.49	929.26	2,355.49
Total	<b>11,358.42</b>	<b>10,956.69</b>	<b>12,659.69</b>	<b>11,358.42</b>	<b>12,659.69</b>

**KEERTHI INDUSTRIES LIMITED**

CIN-L26942TG1982PLC003492

Regd. Office: Mellacheruvu Village & Mandal, Suryapet District, Telangana-508246.

**AUDITED BALANCE SHEET AS AT 31ST MARCH 2018**

(Rs. in Lakhs)

Particulars	As at 31-Mar-2018	As at 31-Mar-2017
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, Plant and Equipment	11,321.26	12,084.56
(b) Capital work-in-progress	-	-
(c) Other Intangible assets	37.67	47.87
(d) Financial Assets		
(i) Investments	0.06	0.06
(ii) Other financial assets	685.09	854.17
(e) Deferred Tax Assets (net)		
(f) Other non-current assets	821.11	773.28
	12,865.20	13,759.94
<b>Current assets</b>		
(a) Inventories	2,076.82	1,934.16
(b) Financial Assets		
(i) Investments	130.85	-
(ii) Trade receivables	334.85	266.56
(iii) Cash and cash equivalents	557.39	753.44
(iv) Bank balances other than (iii) above	215.57	229.23
(v) Loans	1.42	1.12
(iv) Others financial assets	130.51	123.69
(c) Current tax asset (Net)	143.23	34.36
(d) Other current assets	601.48	492.71
	4,192.12	3,835.26
<b>Total Assets</b>	<b>17,057.32</b>	<b>17,595.20</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity Share capital	801.67	801.67
(b) Other Equity	4,897.22	4,133.83
	5,698.90	4,935.51
<b>Liabilities</b>		
<b>Non - current liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	2,666.53	3,516.27
(b) Provisions	107.95	49.36
(c) Deferred tax liabilities (Net)	414.30	217.85
(d) Other Non Current Liabilities	573.96	688.75
	3,762.74	4,472.24
<b>Current liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	3,185.42	2,426.64
(ii) Trade payables		
(A) total outstanding dues of micro enterprises and small enterprises; and	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	1,727.06	1,615.20
(iii) Other financial liabilities	1,156.09	2,862.44
(b) Other current liabilities	1,524.27	1,280.32
(c) Provisions	2.85	2.85
(d) Current tax liabilities (Net)	-	-
	7,595.69	8,187.46
<b>Total Equity and Liabilities</b>	<b>17,057.32</b>	<b>17,595.20</b>

Reconciliation between Equity as previously reported (referred to as "Previous GAAP") and Ind AS are as under:

Nature of Adjustments	Note no	As at 31st March 2017
<b>Equity as per Previous GAAP</b>		<b>7,306.97</b>
Effect of measuring Sales tax deferment at Amortised cost and recognition of Government Grant	a	4.63
Effect of classifying Preference Shares as financial liability subsequently measured at Amortised Cost	b	(2,355.49)
Effect of measuring Borrowings from Banks at Amortised cost	c	(2.34)
Change in Deferred tax due to above adjustments		(18.26)
<b>Equity as per Ind AS</b>		<b>4,935.51</b>

**Notes:**

- a. Under Ind AS, sales tax deferment is a financial liability classified as subsequently measured at amortized cost. Hence it is to be measured at fair value and the difference between transaction value and fair value is to be recognized as Government grant. The Government grant is recognized in the Statement of Profit and Loss on a straight-line basis over the period of grant and unwinding of interest on fair value of sales tax deferment liability is recognized as finance
- b. As per Ind AS, preference shares are treated as financial liability subsequently measured at amortised cost. Consequently, it is reduced from equity and treated as borrowing and carried at fair value.
- c. Under Ind AS, Borrowings from banks are treated as financial liability subsequently measured at amortised cost. Loan is to be accounted for Principal amount received net of any upfront premium/processing charges paid and interest thereon is to be provided using effective interest rate (EIR).