

KEERTHI INDUSTRIES LIMITED

CIN-L26942TG1982PLC003492

Regd. Office: Plot No.40, IDA, Balanagar, Hyderabad, Telangana-500037.

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2020

Rs. In lakhs

Particulars	For the Quarter Ended			For the year ended	
	31-03-2020 (Audited)	31-12-2019 (Un audited)	31-03-2019 (Audited)	31-03-2020 (Audited)	31-03-2019 (Audited)
I. Revenue from operations	4,327.38	3187.70	5,541.89	17180.53	18441.11
II. Other income	43.22	53.23	269.74	258.08	418.30
III. Total Income (I+II)	4,370.60	3,240.93	5,811.63	17438.61	18859.41
IV. Expenses					
Cost of materials consumed	557.51	477.12	582.10	2245.10	2200.05
Purchase of stock in trade	-	-	-	-	-
Change in inventories of finished goods, stock in trade and work in progress	277.85	(57.28)	625.76	(81.73)	341.11
Employee benefit Expenses	409.69	427.02	427.51	1655.07	1547.62
Power & Fuel	1,710.74	1496.95	1,943.50	6938.81	7539.76
Packing and Forwarding	1,197.63	847.76	1,339.24	4191.51	4567.57
Finance costs	148.86	154.89	168.63	604.50	658.87
Depreciation and amortisation expenses	282.18	274.33	281.61	1104.16	1069.93
Other expenses	321.30	304.42	453.32	1411.83	1468.33
IV. Total Expenses	4,905.76	3,925.21	5,821.67	18,069.25	19,393.25
V. Profit/(loss) before exceptional items and tax(III-IV)	(535.16)	(684.28)	(10.04)	(630.64)	(533.84)
VI. Exceptional Items (Refer Note 6)	719.06			719.06	
VII. Profit/(loss) before tax (V+VI)	183.90	(684.28)	(10.04)	88.42	(533.84)
VIII. Tax expense:					
Current tax	114.89	(242.78)	-	114.89	-
Deferred tax	87.69	(88.01)	(22.60)	(36.87)	(461.56)
Tax for Earlier Years	42.52		(79.31)	42.52	(79.31)
IX. Profit/(loss) for the period (VII-VIII)	(61.20)	(353.49)	91.87	(32.12)	7.03
X. OTHER COMPREHENSIVE INCOME					
A-(i) Items that will not be reclassified to the statement of profit or loss	1.37	-	19.93	1.37	19.93
(ii) Income tax on items that will not be reclassified to the profit or loss	(0.38)	-	(5.18)	(0.38)	(5.18)
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	-	-	-	-	-
X. Total Other Comprehensive Income	0.99	-	14.75	0.99	14.75
XI. Total Comprehensive Income for The Period (IX + X)	(60.21)	(353.49)	106.62	(31.13)	21.78
XII. Paid up equity share capital (face value Rs. 10 per share)	801.67	801.67	801.67	801.67	801.67
XIII. Other Equity				4,713.92	4,832.02
XIV. Earning per equity share of Rs. 10. each Basic and Diluted (not annualised for quarters)	(0.75)	(4.41)	1.33	(0.39)	0.27



Notes:

1. The above results have been reviewed by Audit Committee and approved by the Board of Directors at their meeting held on 25th July, 2020. The Statutory Auditors have audited the above results and issued audit report with unmodified opinion.
2. These financial results of the Company have been prepared in accordance with Indian Accounting Standards (IND-AS) as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules 2015 (as amended).
3. As per Section 115BAA in the Income Tax Act, 1961, the company has an irrevocable option of shifting to a lower tax rate and simultaneously forgo certain tax incentives, deductions and accumulated MAT credit. The Company has not exercised this option for the year ended 31-03-2020 in view of the benefits available under the existing tax regime.
4. Indian Accounting Standard (IndAS) 116 on "Leases", which is applicable from April 01, 2019, has not materially impacted the results for the quarter as well as for the year ended 31st March 2020. However wherever there are implications arising from implementation of this standard the same have been appropriately accounted and disclosed.
5. **Impact assessment of the Pandemic COVID 19 and related estimation uncertainty**
The Company has suspended operations w.e.f. 23.03.2020 as per the directives of both Central and State Governments in the wake of COVID -19 Pandemic. The Company's operations were impacted in the month of March 2020. The Company has made an assessment on measurement of assets and liabilities including recoverability of carrying value of its assets, liquidity position and ability to repay its debts for the next year, and concluded that no material adjustments are necessary. From 2nd May 2020, operations have commenced in a phased manner taking into account directives from the Government.
6. Exceptional Income includes an amount of Rs. 719.06 lakhs disbursed as Industrial Incentive by Industries Department, Govt. of Telangana and the same has been adjusted by Department of Commercial tax, Govt. of Telangana against the Outstanding Sales tax deferment amount payable by the Company.
7. Figures for the last quarter are the balancing figures between the audited figures in respect of full financial year and the published year to date figures upto the third quarter of the respective financial years
8. Previous year's figures have been regrouped wherever necessary to conform to current period classification.

Place : Hyderabad
Date : 25th July 2020



For Keerthi Industries Limited
(Er. J.S.RAO)
Managing Director
DIN: 00029090

STATEMENT OF ASSETS AND LIABILITIES

Rs. in Lakhs

Particulars		31st March 2020	31st March 2019
ASSETS			
(1)	Non-current assets		
	(a) Property, Plant and Equipment	9891.26	10652.93
	(b) Capital Work-in-progress	8.84	4.31
	(c) Right-of-Use Asset	10.20	0.00
	(c) Other Intangible assets	73.76	70.93
	(d) Financial Assets		
	(i) Investments	0.06	0.06
	(ii) Other financial assets	715.79	793.30
	(e) Deferred Tax Assets (net)	21.51	81.73
	(f) Other non-current assets	736.16	754.80
(2)	Current assets		
	(a) Inventories	1402.82	1542.55
	(b) Financial Assets		
	(i) Investments	218.81	144.09
	(ii) Trade Receivables	351.08	350.78
	(iii) Cash and cash equivalents	242.80	17.56
	(iv) Bank balances other than (ii) above	100.56	86.78
	(v) Loans	1.63	1.50
	(vi) Others	39.04	52.90
	(c) Current Tax Assets (Net)	138.82	186.35
	(d) Other current assets	361.71	962.04
	Total Assets	14313.85	15701.62
EQUITY AND LIABILITIES			
(1)	Equity		
	(a) Equity Share capital	801.67	801.67
	(b) Other Equity	4713.92	4832.02
(2)	Liabilities		
	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	1010.57	2178.42
	(b) Provisions	72.73	108.31
	(c) Deferred Tax Liability(net)	0.00	0.00
	(d) Other non-current liabilities	344.38	459.17
	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	4165.82	3581.86
	(ii) Trade payables		
	a. Total outstanding due of Micro Enterprises and Small Enterprises	0.00	0.00
	b. Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	1088.43	1429.74
	(iii) Other financial liabilities	938.53	1080.65
	(b) Other current liabilities	1143.16	1222.36
	(c) Provisions	35.64	8.42
	(d) Current Tax Liabilities (Net)	0.00	0.00
	Total Equity and Liabilities	14314.85	15702.62

For Keerthi Industries Limited

(E.F.J.S.RAO)

Managing Director

Place : Hyderabad

Date:25.07.2020



SEGMENT-WISE REPORTING

AUDITED SEGMENT-WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND YEAR ENDED 31 MARCH 2020

Rs. in Lakhs

Particulars	For the Quarter Ended			For the year ended	
	31-03-2020 (Audited)	31-12-2019 (Un audited)	31-03-2019 (Audited)	31-03-2020 (Audited)	31-03-2019 (Audited)
(Net Sales/ Income from operations)					
(a) Cement	4073.32	2996.64	5258.79	16160.23	17418.19
(b) Energy	11.05	16.16	11.66	91.06	92.00
(c) Electronics	243.01	174.90	243.48	929.24	902.96
Total	4327.38	3187.70	5513.93	17180.53	18413.15
Less: Inter Segment Revenue	0.00	0.00	0.00	0.00	0.00
Net Sales/Income From Operations	4327.38	3187.70	5513.93	17180.53	18413.15
2.Segment Results (Profit+)/Loss(-) before tax and finance cost)					
a) Cement	321.11	(617.64)	252.39	258.14	(12.76)
b) Energy	3.36	(5.72)	15.94	33.67	67.38
c) Electronics	(34.93)	40.11	3.90	143.03	174.48
Total	289.54	(583.25)	272.23	434.84	229.10
Less: i) Finance cost	148.86	154.89	168.63	604.50	658.87
ii) Other Un-allocated Expenditure net off			117.30		117.30
Add: Un-allocable income	43.22	53.87	3.66	258.08	13.24
Total Profit before Tax	183.90	(685.27)	(10.04)	88.42	(533.83)
3.Segment Assets					
(a) Cement	12190.15	12,672.02	13410.38	12190.15	13410.38
(b) Energy	318.61	325.38	370.47	318.61	370.47
(c) Electronics	1281.76	1,281.76	1385.17	1281.76	1385.17
(d) Unallocated	524.33	527.37	536.60	524.33	536.60
Total	14314.85	14806.53	15702.62	14314.85	15702.62
4. Segment Liabilities					
(a) Cement	8385.26	8813.65	14106.68	8385.26	14106.68
(b) Energy	0.00	0.00			
(c) Electronics	170.56	170.56	219.28	170.56	219.28
Un allocated	243.43	246.53	574.98	243.43	574.98
Total	8799.25	9230.74	14900.94	8799.25	14900.94

Place : Hyderabad
Date : 25.07.2020



For Keerthi Industries Limited

(Er. J.S.RAO)

Managing Director

KEERTHI INDUSTRIES LIMITED
CIN-L26942TG1982PLC003492
Regd. Office: Plot No.40, IDA, Balanagar, Hyderabad, Telangana-500037.
Cash flow statement for the year ended 31st march, 2020

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
A. Cash Flow From Operating Activities		
Profit/ (Loss) before tax	8,842,337	(53,383,901)
Adjustments for:		
Depreciation and amortization expense	110,415,906	106,993,478
Interest income	(5,316,293)	(6,588,007)
Dividend Income	(294,852)	(293,337)
Finance Cost	60,450,278	65,886,720
Net (gain)/loss on Mutual Funds	2,528,000	(1,324,000)
Government Grant	(11,479,224)	(11,479,226)
Exceptional Income	(71,906,035)	-
Operating Profit before working capital Changes	93,240,118	99,811,727
Movement in Working Capital		
Decrease/(increase) in inventories	13,972,964	53,427,143
Decrease/(increase) in trade receivables	(29,768)	(1,593,011)
Increase / (decrease) Trade payables	(34,130,990)	(29,732,284)
Decrease / (Increase) in financial assets	7,838,080	9,355,644
Decrease / (Increase) in non-financial assets	60,878,652	(36,899,508)
Increase / (decrease) in financial liabilities	(9,607,185)	12,034,175
Increase / (decrease) in other liabilities	(7,919,192)	(30,191,141)
Increase / (decrease) in Provisions	(700,314)	2,586,720
Cash Generated from Operations	123,542,365	78,799,465
Taxes Paid	(1,317,839)	(345,045)
Net Cash flow from Operating Activities (A)	122,224,526	78,454,420
Cash Flow From Investing Activities		
Purchase of Property plant and equipment and intangible assets incl. CWIP	(34,983,706)	(51,278,617)
Purchase of Investments	(10,000,000)	-
Movement in other bank balances	(1,378,083)	-
Interest Received	6,603,233	7,043,145
Dividend Received	294,852	293,337
Net cash flow generated/(used) from investing activities (B)	(39,463,704)	(43,942,135)
Cash flows from financing activities		
Proceeds from/(repayment of) long-term loans and borrowings, net	(133,106,633)	(65,953,935)
Proceeds from/(repayment of) short-term loans and borrowings, net	65,185,420	36,844,959
Proceeds from Government as Subsidy	71,906,035	-
Dividend paid including DDT	(8,698,142)	(8,698,142)
Interest paid	(48,734,024)	(53,486,596)
Net cash from/(used in) financing activities (C)	(53,447,344)	(91,293,714)
Net increase in cash and cash equivalents (A+B+C)	29,313,479	(56,781,429)
Cash and cash equivalents at the beginning of the period/year	(5,033,091)	51,748,338
Cash and cash equivalents at the end of the year	24,280,388	(5,033,091)
Component of Cash and Cash Equivalent		
Cash in Hand	332,952	114,953
Balance with banks In current Account	23,947,436	1,640,989
Books Over draft	0	(6,789,033)
Total Cash and Cash Equivalents in Cash Flow Statement	24,280,388	(5,033,091)

The above statement of cash flow has been prepared under the 'Indirect method' as set out in Indian Accounting Standard

Place : Hyderabad
Date: 25.07.2020

For Keerthi Industries Limited

(Er. J.S. RAO)
Managing Director





CHARTERED ACCOUNTANTS

VIJAYAWADA, HYDERABAD, VISAKHAPATNAM, GUNTUR, KAKINADA, TANUKU, ALSO AT CHENNAI, BANGALORE AND ADONI.

Independent Auditor's Report on Quarterly and Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended

To
Board of Directors of **KEERTHI INDUSTRIES LIMITED.**

Report on the Audit of the Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date financial results of **KEERTHI INDUSTRIES LIMITED** (the "Company") for the quarter and the year ended March 31, 2020 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these financial results:

- are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net loss and other comprehensive income and other financial information for the quarter and year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Financial Results

The statement has been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of the statement that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the applicable accounting standards prescribed





under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls


K. Shavani



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the statement, including the disclosures, and whether the statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

Date : 25.07.2020

for **BRAHMAYYA & CO.**
Chartered Accountants
Firm's Regn No. 000513S



K. Shraavan

(K.SHRAVAN)

Partner

Membership No. 215798

UDIN: 20215798AAAACJ6503