



K.S. Rao & Co.

CHARTERED ACCOUNTANTS

REVIEW REPORT ON THE FINANCIAL RESULTS OF KEERTHI INDUSTRIES LIMITED, FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER, 2012 TO BE SUBMITTED TO THE STOCK EXCHANGES.

We have reviewed the accompanying statement of unaudited financial results of KEERTHI INDUSTRIES LIMITED, Plot No.40, IDA, Balanagar, Hyderabad – 500 037, A.P, for the quarter and half year ended 30th September, 2012 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, "Engagements to Review Financial Statements" 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.

Based on our review 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 applicable accounting standards as notified by the Companies (Accounting Standards) Rules, 2006 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

for K.S.RAO & CO.
Chartered Accountants
Firm Regn.No.003109S

(P.GOVARDHANA REDDY)

Partner

Membership No.29193

Place: Hyderabad

Date: 10.11.2012

KEERTHI INDUSTRIES LIMITED
 Regd. Office: Mellacheruvu Village & Mandal,
 Nalgonda Dist. A.P. Pin: 508246

UNAUDITED FINANCIAL RESULTS (PROVISIONAL) FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2012

| PART I | | | | | | | (Rs. In Lakhs) |
|--|------------------------|--------------------------|---|---|--|------------------------------------|----------------|
| Particulars | 3 months ended | Preceding 3 months ended | Corresponding 3 months ended in the Previous year | Year to Date figures for Current period | Year to Date figures for Previous period | Previous year ended | |
| | 30.09.2012 (Unaudited) | 30.06.2012 (Unaudited) | 30.09.2011 (Unaudited) | 01.04.2012 to 30.09.2012 (Unaudited) | 01.04.2011 to 30.09.2011 (Unaudited) | 01.04.2011 to 31.03.2012 (Audited) | |
| 1. a. Net Sales/Income from Operations | 2163.07 | 2269.28 | 4161.59 | 4432.35 | 7893.19 | 17593.25 | |
| b. Other Operating Income | | | | | | | |
| Total (a+b) | 2163.07 | 2269.28 | 4161.59 | 4432.35 | 7893.19 | 17593.25 | |
| 2. Expenditure | | | | | | | |
| a. (Increase)/Decrease in stock in trade and work in progress | (26.21) | (383.78) | (73.75) | (409.99) | (155.46) | (52.70) | |
| b. Consumption of raw materials | 316.52 | 326.24 | 452.00 | 642.76 | 825.86 | 1593.21 | |
| c. Employees cost | 234.33 | 208.58 | 212.31 | 442.91 | 377.79 | 906.05 | |
| d. Depreciation | 348.77 | 336.03 | 326.46 | 684.80 | 652.44 | 1356.95 | |
| e. Power & Fuel | 926.12 | 1142.95 | 1483.44 | 2069.07 | 2680.10 | 5487.65 | |
| f. Other Expenditure | 527.26 | 512.45 | 902.42 | 1039.71 | 1414.88 | 5466.78 | |
| Total | 2326.79 | 2142.47 | 3302.88 | 4469.26 | 5795.61 | 14757.94 | |
| 3. Profit from Operations before Other Income, Interest and exceptional items (1-2) | (163.72) | 126.81 | 858.71 | (36.91) | 2097.58 | 2835.31 | |
| 4. Other Income | 10.85 | 8.29 | 8.58 | 19.14 | 17.90 | 48.71 | |
| 5. Profit before Interest & Exceptional Items (3+4) | (152.87) | 135.10 | 867.29 | (17.77) | 2115.48 | 2884.02 | |
| 6. Interest | 235.25 | 233.61 | 238.97 | 469.08 | 480.07 | 953.23 | |
| 7. Profit after Interest but before Exceptional Items (5-6) | (388.12) | (98.71) | 628.32 | (486.83) | 1635.41 | 1930.79 | |
| 8. Exceptional items | | | | | | | |
| 9. Profit (+) Loss (-) from Ordinary Activities before tax (7+8) | (388.12) | (98.71) | 628.32 | (486.83) | 1635.41 | 1930.79 | |
| 10. Tax expense | | | | | | | |
| - Current | 0.96 | 0.00 | (69.71) | 0.96 | 233.94 | 301.58 | |
| - Deferred Tax | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 435.24 | |
| 11. Net profit (+) Loss (-) from Ordinary Activities after tax (9-10) | (389.08) | (98.71) | 698.03 | (487.79) | 1401.47 | 1193.97 | |
| 12. Extraordinary items (net of tax expenses) | | | | | | | |
| 13. Net Profit(+)/ Loss(-) for the period (11-12) | (389.08) | (98.71) | 698.03 | (487.79) | 1401.47 | 1193.97 | |
| 14. Paid-up equity share capital (Face value of RS.10/- each) | 801.67 | 801.67 | 801.67 | 801.67 | 801.67 | 801.67 | |
| 15. Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year | | | | | | 4774.57 | |
| 16. a) Earnings per share-Basic and diluted EPS before Extraordinary items (not annualised) Rs.10 each | (5.14) | (1.53) | 6.97 | (6.67) | 13.99 | 13.73 | |
| b) Earnings per share-Basic and diluted EPS after Extraordinary items (not annualised) Rs.10 each | (5.14) | (1.53) | 6.97 | (6.67) | 13.99 | 13.73 | |

| PART II | | | | | | |
|--|------------------------|--------------------------|---|---|--|------------------------------------|
| Particulars | 3 months ended | Preceding 3 months ended | Corresponding 3 months ended in the Previous year | Year to Date figures for Current period | Year to Date figures for Previous period | Previous year ended |
| | 30.09.2012 (Unaudited) | 30.06.2012 (Unaudited) | 30.09.2011 (Unaudited) | 01.04.2012 to 30.09.2012 (Unaudited) | 01.04.2011 to 30.09.2011 (Unaudited) | 01.04.2011 to 31.03.2012 (Audited) |
| A. PARTICULARS OF SHAREHOLDING | | | | | | |
| 1. Public shareholding | | | | | | |
| - Number of shares | 1907586 | 1907586 | 1904094 | 1907586 | 1904094 | 1907586 |
| - Percentage of shareholding | 23.80 | 23.80 | 23.75 | 23.80 | 23.75 | 23.80 |
| 2. Promoters and promoter group Shareholding | | | | | | |
| a) Pledged/Encumbered | | | | | | |
| - Number of shares | 2405100 | 2405100 | 2405100 | 2405100 | 2405100 | 2405100 |
| - Percentage of shares (as a % of the total share holding of promoter and promoter group) | 39.37 | 39.37 | 39.35 | 39.37 | 39.35 | 39.37 |
| - Percentage of shares (as a % of the total share capital of the company) | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 |
| b) Non-encumbered | | | | | | |
| - Number of shares | 3704052 | 3704052 | 3707544 | 3704052 | 3707544 | 3704052 |
| - Percentage of shares (as a % of the total share holding of promoter and promoter group) | 60.63 | 60.63 | 60.65 | 60.63 | 60.65 | 60.63 |
| - Percentage of shares (as a % of the total share capital of the company) | 46.20 | 46.20 | 46.24 | 46.20 | 46.24 | 46.20 |

| B. INVESTOR COMPLAINTS | ended 30.09.2012 |
|--|------------------|
| Pending at the beginning of the quarter | Nil |
| Received during the quarter | 1 |
| Disposed of during the quarter | 1 |
| Remaining unresolved at the end of the quarter | Nil |

*Notes: 1. The above results were reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on 10th November 2012. The results were subjected to limited review by the Statutory Auditors of the Company.
2. Previous year/period figures have been regrouped wherever necessary to conform to the current period classification.

Place : Hyderabad
Date : 10.11.2012

For Keerthi Industries Limited



(Er. J.S.RAO)
Managing Director

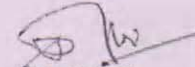
SEGMENT-WISE REPORTING UNDER CLAUSE 41 OF THE LISTING AGREEMENT

(Rs. In Lakhs)

| Particulars | 3 months ended | Preceding 3 months ended | Corresponding 3 months ended in the Previous year | Year to Date figures for Current period 01.04.2012 to 30.09.2012 | Year to Date figures for Previous period 01.04.2011 to 30.09.2011 | Previous year ended |
|--|------------------------|--------------------------|---|--|---|------------------------------------|
| | 30.09.2012 (Unaudited) | 30.06.2012 (Unaudited) | 30.09.2011 (Unaudited) | (Unaudited) | (Unaudited) | 01.04.2011 to 31.03.2012 (Audited) |
| 1. Segment Revenue (Net Sales/ Income from operations) | | | | | | |
| (a) Cement | 1967.94 | 2121.48 | 4043.22 | 4089.42 | 7710.46 | 17119.49 |
| (b) Energy | 45.61 | 25.44 | 51.80 | 71.05 | 81.43 | 118.47 |
| (c) Electronics | 149.52 | 122.36 | 66.57 | 271.88 | 101.30 | 355.29 |
| Sub Total | 2163.07 | 2269.28 | 4161.59 | 4432.35 | 7893.19 | 17593.25 |
| Total | 2163.07 | 2269.28 | 4161.59 | 4432.35 | 7893.19 | 17593.25 |
| Less: Inter Segment Revenue | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net Sales/Income From Operations | 2163.07 | 2269.28 | 4161.59 | 4432.35 | 7893.19 | 17593.25 |
| 2. Segment Results (Profit(+)/Loss(-) before tax and interest) | | | | | | |
| (a) Cement | (178.46) | 148.36 | 892.09 | (30.10) | 2157.34 | 2946.63 |
| Less:Interest | 233.27 | 231.96 | 237.22 | 465.23 | 476.51 | 944.63 |
| | (1) | (83.60) | 654.87 | (495.33) | 1680.83 | 2002.00 |
| (b) Energy | (2) | 6.65 | 35.06 | 15.17 | 47.91 | 8.20 |
| (c) Electronics | | (21.78) | (59.86) | (2.84) | (89.77) | (70.81) |
| Less:Interest | | 1.98 | 1.75 | 3.83 | 3.56 | 8.60 |
| | (3) | (23.63) | (61.61) | (6.67) | (93.33) | (79.41) |
| Total | (1+2+3) | (98.71) | 628.32 | (486.83) | 1635.41 | 1930.79 |
| Total Profit Before Tax | (388.12) | (98.71) | 628.32 | (486.83) | 1635.41 | 1930.79 |
| 3. Capital Employed (Segment assets-Segment Liabilities) | | | | | | |
| (a) Cement | 4962.23 | 5401.52 | 5756.30 | 4962.23 | 5756.30 | 5409.48 |
| (b) Energy | 659.97 | 731.00 | 795.66 | 659.97 | 795.66 | 695.33 |
| (c) Electronics | 504.71 | 488.77 | 470.23 | 504.71 | 470.23 | 509.88 |
| Total | 6126.91 | 6621.29 | 7022.19 | 6126.91 | 7022.19 | 6614.69 |

For Keerthi Industries Limited

Place : Hyderabad
Date : 10.11.2012


(E. J. S. RAO)
Managing Director

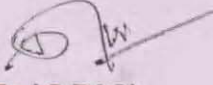
STATEMENT OF ASSETS AND LIABILITIES

(Rs.in lakhs)

| Particulars | 6 months ended 30.09.2012 (Unaudited) | Corresponding 12 months ended in the previous year 31.03.2012 (Audited) |
|-------------------------------------|--|--|
| Equity and Liabilities | | |
| 1. Shareholders' Funds | | |
| (a) Capital | 1840.11 | 1840.11 |
| (b) Reserves and Surplus | 4286.79 | 4774.58 |
| Shareholders' Funds | 6126.90 | 6614.69 |
| 2. Non-current Liabilities | | |
| (a) Long Term Borrowings | 5342.03 | 5806.68 |
| (b) Deferred Tax Liability - Net | 1101.39 | 1101.39 |
| (c) Long Term Provisions | 203.03 | 170.64 |
| Non-current Liabilities | 6646.45 | 7078.71 |
| 3. Current Liabilities | | |
| (a) Short Term Borrowings | 1358.69 | 998.41 |
| (b) Trade Payables | 427.93 | 347.88 |
| (c) Other Current Liabilities | 3555.68 | 3193.54 |
| (d) Short Term Provisions | 46.89 | 43.03 |
| Current Liabilities | 5389.19 | 4582.86 |
| Total Equity and Liabilities | 18162.54 | 18276.26 |
| Assets | | |
| 1. Non-current Assets | | |
| (a) Fixed Assets | 13772.34 | 14269.64 |
| (b) Non-current Investments | 0.06 | 0.06 |
| (c) Long Term Loans and Advances | 1425.23 | 1262.86 |
| Non-current Assets | 15197.63 | 15532.56 |
| 2. Current Assets | | |
| (a) Inventories | 1493.96 | 1288.66 |
| (b) Trade Receivables | 539.38 | 269.98 |
| (c) Cash and Bank Balances | 262.10 | 314.43 |
| (d) Short Term Loans and Advances | 547.44 | 715.99 |
| (e) Other Current Assets | 122.03 | 154.64 |
| Current Assets | 2964.91 | 2743.70 |
| Total Assets | 18162.54 | 18276.26 |

Place : Hyderabad
Date : 10.11.2012

For Keerthi Industries Limited


 (Er.J.S.RAO)
 Managing Director