



# **Keerthi Industries Limited**

**(Formerly Suvarna Cements Limited)**

**Administrative Office : Plot No. 40, IDA, Balanagar, Hyderabad - 500 037**  
Tel : 23076538, 23076539, Fax : 91-040-23076543, E-mail : general@keerthiindustries.com,  
keerthiitd@gmail.com | CIN : L26942TG1982PLC003492 | GSTIN : 36AAFCS3938P1ZO

Date: 05<sup>th</sup> February, 2018

To,  
The General Manager  
Department of Corporate services  
The BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, M Samachar Marg, Fort  
Mumbai, Maharashtra 400001

Dear Sir / Madam,

Sub: Outcome of Board Meeting held on 05.02.2018  
Ref.: 518011- Keerthi Industries Limited

With reference to the subject cited, this is to inform the Exchange that in the 176<sup>th</sup> Board Meeting of M/S Keerthi Industries Limited held on Monday, the 05<sup>th</sup> February 2018 at the Administrative Office of the Company, the following business were duly considered and approved by the Board:


1. Un-Audited financial results for the quarter ended 31<sup>st</sup> December, 2017. (Annexure I)
2. Limited Review Report for the quarter ended 31<sup>st</sup> December, 2017. (Annexure II)
3. Resignation of Sri. J. S. Rao, (Managing Director & CFO) from the additional charge of CFO and will act only as Managing Director w.e.f. 31-03-2018
4. Appointment of Sri. Y Sadasiva Rao as CFO of the Company w.e.f. 01-04-2018.
5. Re-appointment of Smt. J. Triveni (her current period of service will be concluded by 09-05-2018) as Executive Chairperson and Whole-time Director of the Company w.e.f. 10-05-2018 for a period of 3 years.
6. Re-appointment of Sri. J. S. Rao (his current period of service will be concluded by 09-05-2018) as Managing Director of the Company w.e.f. 10-05-2018 for a period of 3 years.
7. Appointment of M/s. VCSR & Associates as Secretarial Auditor of the Company for the FY 2017-18.
8. General discussion about other matters as per the agenda of the meeting.

The meeting commenced at 4:30 P.M and adjourned for the Independent Directors meeting on 5:55 PM. The Meeting again stated at 6:30 PM and concluded by 7:15 PM.

This is for your information and records.

Thanking You,

Yours faithfully,  
For Keerthi Industries Limited

  
Rajesh Kumar Yadav  
Company Secretary

**KEERTHI INDUSTRIES LIMITED**

CIN-L26942TG1982PLC003492

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

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/NINE MONTHS ENDED DECEMBER 31, 2017**

(Rs. In lakhs)

Particulars	For the Quarter Ended			For Nine Months Ended	
	31-Dec-17	30-Sep-17	31-Dec-16	31-Dec-17	31-Dec-16
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
I Revenue from operations	4,402.05	3,860.55	5,266.52	14,357.03	14,424.13
II Other income	47.18	71.77	47.75	243.67	141.32
<b>III Total Revenue(I+II)</b>	<b>4,449.23</b>	<b>3,932.32</b>	<b>5,314.28</b>	<b>14,600.70</b>	<b>14,565.45</b>
<b>IV Expenses</b>					
Cost of materials consumed	516.62	469.10	510.83	1,504.04	1,425.04
Purchase of stock in trade	-	-	-	-	-
Power & Fuel	1,733.48	1,828.08	1,828.85	5,395.14	4,995.31
Change in inventories of finished goods, stock in trade and work in progress	64.61	(638.94)	(310.37)	(214.81)	(106.05)
Employee benefit Expenses	343.86	345.96	368.64	1,069.51	1,031.71
Finance costs	182.84	189.53	149.42	530.52	512.20
Depreciation and amortisation expenses	269.24	267.53	211.31	794.55	621.58
Other expenses	1,293.15	1,078.10	1,730.82	4,223.46	4,602.81
<b>Total Expenses(IV)</b>	<b>4,403.80</b>	<b>3,539.36</b>	<b>4,489.50</b>	<b>13,302.40</b>	<b>13,082.61</b>
V Profit/(loss) before exceptional items and tax(III-IV)	45.42	392.97	824.78	1,298.30	1,482.84
VI Exceptional Items (See note no. 7)	(80.06)	(0.19)	-	(80.24)	-
<b>VII Profit/(loss) before tax (V+VI)</b>	<b>(34.63)</b>	<b>392.78</b>	<b>824.78</b>	<b>1,218.06</b>	<b>1,482.84</b>
<b>VIII Tax expense:</b>					
Current tax	(0.00)	157.36	212.29	407.62	362.12
Deferred tax	105.09	(17.61)	85.99	320.13	54.29
Earlier years tax	-	-	-	(154.16)	-
<b>IX Profit/(loss) for the period from continuing operations (VII-VIII)</b>	<b>(139.73)</b>	<b>253.04</b>	<b>526.50</b>	<b>644.48</b>	<b>1,066.43</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>(139.73)</b>	<b>253.04</b>	<b>526.50</b>	<b>644.48</b>	<b>1,066.43</b>
<b>XIV OTHER COMPREHENSIVE INCOME</b>					
A-(i) Items that will not be reclassified to the profit or loss					
a) Remeasurement of Defined employee benefit plans					
(ii) Income tax on items that will not be reclassified to the profit or loss					
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>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XV Total Comprehensive Income for The Period (XIII+XIV)</b>	<b>(139.73)</b>	<b>253.04</b>	<b>526.50</b>	<b>644.48</b>	<b>1,066.43</b>
<b>XVI Earnings per Equity share (for continuing operations) -Basic and diluted</b>	<b>(1.74)</b>	<b>3.16</b>	<b>6.57</b>	<b>8.04</b>	<b>13.30</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>(1.74)</b>	<b>3.16</b>	<b>6.57</b>	<b>8.04</b>	<b>13.30</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/nine months ended 31st December 2017, were reviewed by Audit Committee and approved by the Board of Directors at the meeting held on 5th February, 2018 and Statutory Auditors have carried out limited review.
- 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 periods presented in accordance with Ind AS 101 - First time adoption of Indian Accounting Standards) have been prepared in accordance with the recognition and measurement principle laid down in the Ind AS - 34 interim Financial Reporting 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 unaudited 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. The company has opted to present Ind AS compliant figures for the corresponding quarter/nine months ended December 2016 without subjecting to limited review or audit. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of the Company's affairs.

For KEERTHI INDUSTRIES LIMITED



Er. J.S. Rao  
Managing Director

4. 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

5. The results for the quarter/nine months ended 31st December 2016 has been restated to comply with Ind AS to make them comparable. Further previous quarter figures have been regrouped/reclassified, wherever necessary, to conform with the current period presentation to comply with Ind AS.

6. The above mentioned income from operations are disclosed inclusive of excise duty except for current quarter ended 31st December 2017 and previous quarter ended 30th September 2017. For these 2 quarters, GST collected on sales is excluded from Revenue as per Ind AS 18 - Revenue.

7. In accordance with Hon'ble Supreme Court decision, an amount of Rs. 80.06 lakhs is paid towards District Mineral Fund for the year 2015-16 and treated as Exceptional Item.

8. 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/ nine months ended 31st December 2016 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 Nine Months ended
		31-Dec-16	31-Dec-16
(1) Net Profit under previous IGAAP		549.77	1,133.70
<b>(2) Adjustments</b>			
(i) Inclusion of Excise duty in Revenue from Sale of Products		779.54	2,219.07
Inclusion of Excise duty in Rates & Taxes		(779.54)	(2,219.07)
Exclusion of VAT & CST in Revenue from Sale of Products	(i)	(739.13)	(2,025.79)
Exclusion of VAT & CST in Rates & Taxes		739.13	2,025.79
(ii) Government Grant on measurement of Sales tax deferrment at fair value (amortised cost)	(ii)	28.70	86.09
Unwinding of Interest Expense on Sales tax deferrment		(27.98)	(81.25)
(iii) Preference Dividend Recognised as Finance Cost	(iii)	(24.06)	(72.18)
(iv) Reversal of excess depreciation on reversal of processing charges capitalised and measurement of Term Loans at amortised cost	(iv)	0.07	0.07
Total (2)		(23.27)	(67.27)
(3) Net profit for the period under Ind AS (1+2)		526.50	1,066.43
(4) Other Comprehensive Income for the period (net of tax)		-	-
(5) Total Comprehensive Income under Ind AS (3+4)		526.50	1,066.43

(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.

FOR KEERTHI INDUSTRIES LIMITED

For Keerthi Industries Limited

(Er. J.S. RAO)

Managing Director & CFO

DIN: 00029090

**J. S. Rao**  
Managing Director

Place : Hyderabad

Date : 05.02.2018

UNAUDITED SEGMENT-WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER/NINE MONTHS ENDED DECEMBER 31, 2017

(Rs. In lakhs)

Particulars	For the Quarter Ended			For Nine Months Ended	
	31-Dec-17	30-Sep-17	31-Dec-16	31-Dec-17	31-Dec-16
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
<b>1. Segment Revenue</b> <b>(Inclusive of excise duty from each segment)</b>					
a) Cement	4,168.09	3,603.84	5,071.71	13,666.60	13,793.61
b) Energy	14.99	35.63	15.06	77.07	87.01
c) Electronics	218.97	221.08	179.75	613.36	543.51
Total	4,402.05	3,860.55	5,266.52	14,357.03	14,424.13
Less: Inter Segment Revenue	-	-	-	-	-
<b>Net Sales/Income from Operations</b>	<b>4,402.05</b>	<b>3,860.55</b>	<b>5,266.52</b>	<b>14,357.03</b>	<b>14,424.13</b>
<b>2. Segment Results (Profit)(+)/Loss (-) before Tax</b> <b>and Finance charges from each segment)</b>					
a) Cement	141.40	484.21	999.55	1,664.67	1,899.64
b) Energy	7.55	21.34	0.99	41.77	45.57
c) Electronics	0.18	77.05	(26.07)	43.92	51.32
Total	149.13	582.60	974.46	1,750.36	1,996.53
Less: i) Finance charges	182.84	189.53	149.42	530.52	512.20
ii) Other Un-allocable Expenditure net off	0.92	0.29	0.26	1.79	1.49
Add: Un-allocable income	-	-	-	-	-
<b>Total Profit before Tax</b>	<b>(34.63)</b>	<b>392.78</b>	<b>824.78</b>	<b>1,218.06</b>	<b>1,482.84</b>
<b>3. Segment Assets</b>					
a) Cement	14,452.74	15,121.43	15,058.41	14,452.74	15,058.41
b) Energy	391.30	405.45	641.85	391.30	641.85
c) Electronics	1,567.31	1,697.31	1,420.29	1,567.31	1,420.29
d) Unallocated	131.58	-	-	131.58	-
Total	16,542.93	17,222.20	17,120.55	16,542.93	17,120.55
<b>4. Segment Liabilities</b>					
a) Cement	9,882.60	10,444.84	9,860.93	9,882.60	9,860.93
b) Energy	-	-	-	-	-
c) Electronics	155.52	155.52	145.89	155.52	145.89
d) Unallocated	906.56	883.85	2,331.43	906.56	2,331.43
Total	10,944.67	11,484.21	12,338.24	10,944.67	12,338.24

DATE:05.02.2018  
PLACE: HYDERABAD

For KEERTHI INDUSTRIES LIMITED

For KEERTHI INDUSTRIES LIMITED

  
(ER. J.S. RAO)

MANAGING DIRECTOR

Er. J.S. Rao  
Managing Director



**Limited Review Report**

**Review Report**

**To the Board of Directors of Keerthi Industries Limited,**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **KEERTHI INDUSTRIES LIMITED** ("the Company") for the quarter and nine months ended December 31, 2017 (the "statement") being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This statement 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 Indian Accounting Standard 34 "Interim Financial Reporting", 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 statement based on our review.

2. 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 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 from material misstatements. 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.
3. The figures for quarter and nine months ended December 2016 included in this statement under report were reviewed/audited by another firm of Chartered Accountants, who were the immediate preceding statutory auditors, who expressed an unmodified conclusion/opinion thereon.





*Brahmayya & Co.,*

CHARTERED ACCOUNTANTS

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

4. 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 Indian Accounting Standards (Ind AS) and other recognized accounting principles 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 **BRAHMAYYA & CO.**  
Chartered Accountants  
Firm's Regn No. 000513S



*K. Shavan*  
**(K.SHRAVAN)**

Partner

Membership No. 215798

Place : Hyderabad  
Date : 05.02.2018