
Limited Review Report

Review Report to the Board of Directors of GTN INDUSTRIES LIMITED

We have reviewed the accompanying statement of unaudited financial results of GTN INDUSTRIES LIMITED for the quarter and nine months ended 31st December, 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 reviewed 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) 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 statements are free of material mis-statement. 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 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement issued by Securities and Exchange Board of India including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For Lodha & Co.
Chartered Accountants**



**N.K.Bafna
Partner**

**Membership No.:07642
Firm Registration No.: 301051E**

Place : Hyderabad
Date : 8th February, 2013

PART I							(Rs. in lacs)
Statement of Unaudited Results for the quarter ended 31st December, 2012							
Particulars	Quarter ended			Nine months ended		Year ended	
	31.12.2012	30.09.2012	31.12.2011	31.12.2012	31.12.2011	31.03.2012	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	(Audited)	
1 Income from operations							
(a) Net sales/Income from operations (Net of excise duty)	9900	8252	10039	26535	27092	35337	
(b) Other operating income	585	557	338	1670	2043	2682	
Total income from operations (net)	10485	8809	10377	28205	29135	38019	
2 Expenses							
(a) Cost of materials consumed	4720	4258	4411	12780	14845	19016	
(b) Purchases of stock-in-trade	2468	1029	2651	5590	5352	7120	
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(185)	404	609	29	(388)	75	
(d) Employee benefits expense	763	716	678	2198	2015	2765	
(e) Depreciation	383	384	396	1145	1173	1563	
(f) Other expenses	2402	2088	1952	6607	5579	7479	
Total expenses	10551	8879	10697	28349	28576	38018	
3 Profit / (Loss) from operations before other income, finance costs and exceptional items ((1-2))	(66)	(70)	(320)	(144)	559	1	
4 Other income	32	41	37	143	92	188	
5 Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	(34)	(29)	(283)	(1)	651	189	
6 Finance costs	531	533	442	1594	1472	1702	
7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 + 6)	(565)	(562)	(725)	(1595)	(821)	(1513)	
8 Exceptional items	-	-	-	-	-	-	
9 Profit / (Loss) from ordinary activities before tax (7 ± 8)	(565)	(562)	(725)	(1595)	(821)	(1513)	
10 Tax expense							
Current Tax (MAT)	-	-	-	-	-	-	
Tax Credit for earlier years	-	-	-	(79)	-	-	
MAT Credit Entitlement	-	-	-	-	-	-	
Deferred Tax Liability/(Reversal)	-	-	-	-	-	(595)	
11 Net Profit / (Loss) from ordinary activities after tax (9 ± 10)	(565)	(562)	(725)	(1516)	(821)	(918)	
12 Extraordinary items (net of tax expense)	-	-	-	-	-	-	
13 Net Profit / (Loss) for the period (11 ± 12)	(565)	(562)	(725)	(1516)	(821)	(918)	
14 Paid - up equity share capital (Face Value of the Share shall be included)	1755	1755	1755	1755	1755	1755	
15 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						2484	
16 Earning per share (before/after extraordinary items) (of Rs.10/- each)							
a) Basic	(3.22)*	(3.20)*	(4.13)*	(9.09)*	(4.68)*	(5.23)	
b) Diluted	(3.22)*	(3.20)*	(4.13)*	(9.09)*	(4.68)*	(5.23)	

* not annualised

Regd. Office & Factory : Chitkul Village, Patancheru Mandal, Medak Dist. A.P.- 502 307.
Nagpur Office : Essar Business Centre, Cabin No. 20, Utkarsh Nirman Building, Near Mangalwari Market, Sadar, NAGPUR-440 001.
Nagpur Factory : Village - Khurajgaons, Taluk Saoner. Pin 441112. Dist. Nagpur
Shadnagar Factory : Gundlapotlapally Village, Balanagar Mandal, Mahaboobnagar Dist (A.P) - 509 002.

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PART II							
Select information for the Quarter		Quarter ended			9 Months ended		Year ended
	Particulars	31.12.2012	30.09.2012	31.12.2011	31.12.2012	31.12.2011	31.03.2012
A	PARTICULARS OF SHAREHOLDING						
1	Public shareholding						
	- Number of shares	4448190	4448190	4448190	4448190	4448190	4448190
	- Percentage of shareholding	25.36	25.36	25.36	25.36	25.36	25.36
2	Promoters and Pro oter Group shareholding						
	a) Pledged / Encumbered						
	- Number of shares	6677100	6677100	6677100	6677100	6677100	6677100
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	51.00	51.00	51.00	51.00	51.00	51.00
	- Percentage of shares (as a % of the total share capital of the Company)	38.07	38.07	38.07	38.07	38.07	38.07
	b) Non - encumbered						
	- Number of shares	6415088	6415088	6415088	6415088	6415088	6415088
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	49.00	49.00	49.00	49.00	49.00	49.00
	- Percentage of shares (as a % of the total share capital of the Company)	36.57	36.57	36.57	36.57	36.57	36.57

	Particulars	3 months ended (31/12/2012)
B	INVESTOR COMPLAINS	
	Pending at the beginning of the quarter	0
	Received during the quarter	7
	Disposed of during the quarter	7
	Remaining unresolved at the end of the quarter	0



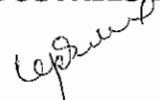
Notes :

- 1) The Company has only single reportable business segment i.e., 'Yarn segment' in terms of requirements of Accounting Standard 17.
- 2) The Company has submitted 2nd financial restructuring proposal for reschedulement of term loan repayments under CDR mechanism effective from cut-off date of 1st July, 2012. Recompense amount based on NPV calculations shall be provided for in due course on receipt of Approval from CDR EG and sanction letter from all the lenders.
- 3) The results for the quarter were adversely affected due to increase in power cost by Rs. 219 lacs on account of levy of Fuel Surcharge Adjustment(FSA)/purchase of high cost power from private producers in Andhra Pradesh.
- 4) Deferred Tax Asset / Liability will be considered for recognition / provision as at the end of the year.
- 5) The Statutory Auditors of the Company have carried out the limited review of the unaudited results of the company for the quarter.
- 6) The above unaudited financial results have been reviewed by the Audit Committee of Directors and approved by the Board of Directors at its meeting held on 8th February, 2013.
- 7) Previous Year's/Quarter's figures have been regrouped/recast, wherever necessary.



Place : Hyderabad
Date : 8th February, 2013

For GTN INDUSTRIES LIMITED



M.K. PATODIA
CHAIRMAN & MANAGING DIRECTOR