

KESORAM INDUSTRIES LIMITED

REGD. OFFICE: 9/1, R. N. MUKHERJEE ROAD, KOLKATA- 700 001

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE quarter and the nine months ended 31-12-2010

Approved by the Board of Directors on 10-02-2011
after review thereof by the Audit Committee

Rs. in Crores except share data

Sl. No.	Particulars	Note	3 Months ended 31/12/2010 (Unaudited)	3 Months ended 31/12/2009 (Unaudited)	9 Months ended 31/12/2010 (Unaudited)	9 Months ended 31/12/2009 (Unaudited)	Previous Accounting year ended 31/03/2010 (Audited)
1. a.	Net Sales / Income from Operations	1	1,394.82	1,245.79	4,161.88	3,673.94	5,020.63
b.	Other Operating Income		24.67	27.48	103.49	66.09	83.38
Total			1,419.49	1,273.27	4,265.37	3,740.03	5,104.01
2.	Expenditure						
a.	(Increase) / Decrease in stock in trade and work in progress		(51.87)	(6.78)	(274.11)	(96.17)	(173.07)
b.	Consumption of Raw Materials		754.14	610.40	2,350.36	1,661.67	2,372.19
c.	Purchase of traded goods		7.82	7.60	21.96	23.65	33.11
d.	Employee cost		67.21	59.58	195.79	165.77	225.29
e.	Depreciation (Net of Transfer from Revaluation Reserve)		72.67	43.78	199.78	121.65	172.80
f.	Power and Fuel		161.35	150.81	525.06	461.04	624.23
g.	Excise Duty		78.15	66.88	258.01	210.14	299.97
h.	Packing and Carriage		107.87	106.14	352.14	301.49	432.37
i.	Other Expenditure		169.67	143.82	498.04	426.41	574.29
Total			1,367.01	1,182.23	4,127.03	3,275.65	4,561.18
3.	Profit / (Loss) from Operations before Other Income, Interest and Exceptional Items (1-2)		52.48	91.04	138.34	464.38	542.83
4.	Other Income		5.36	1.06	25.96	17.25	41.69
5.	Profit / (Loss) before Interest and Exceptional Items (3+4)		57.84	92.10	164.30	481.63	584.52
6.	Interest		66.74	27.27	169.22	85.38	109.03
7.	Profit / (Loss) after Interest but before Exceptional Items (5-6)		(8.90)	64.83	(4.92)	396.25	475.49
8.	Exceptional Items		-	-	-	-	-
9.	Profit / (Loss) from Ordinary Activities before tax (7+8)		(8.90)	64.83	(4.92)	396.25	475.49

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10.	Tax Expense						
a.	Provision for Current Tax (Net)		(0.04)	15.00	-	60.00	36.00
b.	Provision for Deferred Tax		6.40	13.00	7.31	125.00	202.28
c.	Provision for Fringe Benefit Tax (Net)		-	-	-	-	(0.13)
11.	Net Profit / (Loss) from Ordinary Activities after tax (9-10)		(15.26)	36.83	(12.23)	211.25	237.34
12.	Extraordinary Items (net of tax expense Rs. Nil)		-	-	-	-	-
13.	Net Profit / (Loss) for the period (11-12)		(15.26)	36.83	(12.23)	211.25	237.34
14.	Paid-up Ordinary Share Capital (Face Value Rs.10/- per share)		45.74	45.74	45.74	45.74	45.74
15.	Reserves excluding Revaluation Reserve as per Balance Sheet of previous accounting year						1,491.11
16.	Earnings Per Share (EPS)						
a.	Basic and Diluted EPS before Extraordinary items (Rs.)		(3.34)	8.05	(2.68)	46.18	51.88
b.	Basic and Diluted EPS after Extraordinary items (Rs.)		(3.34)	8.05	(2.68)	46.18	51.88
17.	Public Shareholding						
■	Number of Shares		26,661,699	26,592,150	26,661,699	26,592,150	26,592,150
■	Percentage of Shareholding		58.29%	58.13%	58.29%	58.13%	58.13%
18.	Promoters and Promoter Group Shareholding						
a.	Pledged / Encumbered						
-	Number of shares		Nil	Nil	Nil	Nil	Nil
-	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)		Nil	Nil	Nil	Nil	Nil
-	Percentage of Shares (as a % of the total share capital of the Company)		Nil	Nil	Nil	Nil	Nil
b.	Non encumbered						
-	Number of shares		12,039,744	12,109,293	12,039,744	12,109,293	12,109,293
-	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)		100%	100%	100%	100%	100%
-	Percentage of Shares (as a % of the total share capital of the Company)		26.32%	26.47%	26.32%	26.47%	26.47%

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Report on Segment Revenue, Results and Capital Employed

						Rs. in Crores
Sl. No.	Particulars	3 Months ended 31/12/2010 (Unaudited)	3 Months ended 31/12/2009 (Unaudited)	9 Months ended 31/12/2010 (Unaudited)	9 Months ended 31/12/2009 (Unaudited)	Previous Accounting year ended 31/03/2010 (Audited)
1.	Segment Revenue					
a.	Tyres	907.54	753.87	2,640.52	2,087.56	2,849.62
b.	Cement	405.40	425.25	1,307.64	1,395.15	1,912.74
c.	Rayon, T.P. and Chemicals	84.27	66.56	222.76	191.18	259.35
d.	Unallocated	-	0.18	-	0.35	0.36
	Total	1,397.21	1,245.86	4,170.92	3,674.24	5,022.07
	Less : Inter segment revenue (at cost)	2.39	0.07	9.04	0.30	1.44
	Net Sales/Income from Operations	1,394.82	1,245.79	4,161.88	3,673.94	5,020.63
2.	Segment Results Profit / (Loss) before Tax and Interest					
a.	Tyres	(0.58)	15.22	28.28	80.30	76.43
b.	Cement	62.31	74.65	137.68	385.29	482.10
c.	Rayon, T. P. and Chemicals	(1.40)	4.32	3.52	12.42	17.79
d.	Unallocated	(0.39)	0.14	(1.33)	(3.90)	(3.71)
	Total	(59.94)	94.33	168.15	474.11	572.61
	Less :					
	a. Interest	66.74	27.27	169.22	85.38	109.03
	i. Other unallocable expenditure	7.46	8.25	29.81	20.15	29.78
	ii. Other unallocable income	5.36	6.01	25.96	27.67	41.69
	b. Other unallocable expenditure (net off other unallocable income) [(i)-(ii)]	2.10	2.24	3.85	(7.52)	(11.91)
	Total Profit / (Loss) before Tax	(8.90)	64.82	(4.92)	396.25	475.49
3.	Capital Employed (Segment Assets-Segment Liabilities)					
a.	Tyres	3,725.29	2,852.44	3,725.29	2,852.44	3,207.20
b.	Cement	1,601.31	1,539.81	1,601.31	1,539.81	1,549.59
c.	Rayon, T.P. and Chemicals	89.40	92.67	89.40	92.67	94.11
d.	Unallocated	6.37	6.92	6.37	6.92	6.93
	Total	5,422.37	4,491.84	5,422.37	4,491.84	4,857.83

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Notes

1. Sales are inclusive of Excise Duty.
2. Period-end mark-to-market loss recognised in respect of outstanding derivative contracts is Rs. 5.39 crores (nine months ended 31st December, 2009 – Rs. 4.07 crores, year ended 31st March, 2010 – Rs. 1.43 crores).
3. Results for the current quarter and nine months vis-à-vis the corresponding previous periods are affected primarily due to sluggish demand and decrease in cement prices in southern India and steep hike in rubber prices in the tyre unit.
4. The Company's Spun Pipes and Foundries Unit continues to be under suspension of work (effective 2nd May, 2008).
5.
 - a. Pending disposal (consented by the shareholders in March, 2006) of the Company's Hindusthan Heavy Chemicals Unit, the revenue/expenses of the unit (insignificant in terms of the Company's total revenue/expenses) have been and will be included in these and subsequent results till its disposal.
 - b. The Company had to declare suspension of work at the unit effective 8th December, 2010 in consequence of illegal strike / activities by workmen.

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6. The operations at Birla Tyre, Uttrakhand unit of the Company had to be suspended between 19th September, 2010 to 24th September, 2010 on account of unprecedented flood in that region. As a result of such flood, certain inventory items got damaged for which an insurance claim of Rs. 48.16 crores was lodged against which the company has received Rs. 29.08 crores till date. The company in its unaudited financial results for the quarter ended 30th September, 2010 had recognised such claim as "Other Operating Income" receivable with an appropriate adjustment to the related inventories pending settlement of the same by the insurance company. Further, the company had also lodged another claim of Rs. 22.00 crores on an estimated basis for damages made to certain plant and machinery items, boundary walls, roads etc. and no effect for the resultant damage had been given in the aforesaid period's results. The auditors in their Limited Review Report for the quarter ended 30th September, 2010 had commented upon the appropriateness of the recognition of the claim as "Other Operating Income" and the resultant adjustments, as may be required therefrom. In the opinion of the management since the adjustments, if any required, are not ascertainable at this stage, the same will be accounted for on final settlement.
7. The Board of Directors in its meeting of 10th November, 2010 declared interim dividend at the rate of Rs. 2.25 per share and pursuant to such declaration the Company has distributed dividend of Rs. 10.29 crores during the quarter ended 31st December, 2010.
8. The time frame for completion of expansion of 80 MT / day capacity of the car radial project at Balasore and 85 MT / day capacity of truck radial tyre project at Uttrakhand are being extended to second half of 2011-12.
9. The number of investor complaints received, disposed off and lying unresolved at the quarter ended 31st December, 2010 are as under:

Pending at the beginning of the quarter - Nil

Received during the quarter - 18

Disposed off during the quarter - 18

Lying unresolved at the end of quarter - Nil

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10. Comparative figures have been regrouped or rearranged where considered necessary.
11. The Statutory Auditors of the Company have carried out the Limited Review of the above unaudited financial results for the quarter and nine months ended 31st December, 2010 in terms of Clause 41 of the Listing Agreement.

By Order of the Board

Place : Kolkata

Date : 10th February, 2011

Deepak Tandon

Whole-time Director