

KIL/SH/SE/Reg. 30/2020-2021

Dated: 31st July, 2020

The Secretary
BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001
(Stock Code – 502937)

The Vice-President
National Stock Exchange of India Ltd.
“Exchange Plaza”,
Plot no. C/1, G. Block
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400051
(Symbol – KESORAMIND)

The Secretary
The Calcutta Stock Exchange Ltd.
7, Lyons Range,
Kolkata – 700001
(Scrip code – 10000020)

Sub: Outcome of a Board Meeting held on 30th July, 2020

Dear Sir / Madam,

In continuation of our letter KIL/SH/SE/Reg. 30/2020-2021 dated 30th July, 2020, and pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the following:

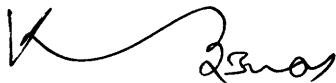
- i. Signed Statements of the Audited Financial Results (Standalone and Consolidated) for the quarter and financial year ended 31st March, 2020 ;
- ii. Auditor’s Report on Audited Financial Results – Standalone and Consolidated;

The Report of Auditors is with unmodified opinion with respect to the Audited Financial Results (Standalone and Consolidated) of the Company for the financial year ended 31st March, 2020.

- iii. Signed Statements of the Unaudited Financial Results (Standalone and Consolidated) for the quarter ended 30th June, 2020; and
- iv. Limited Review Report issued by the Statutory Auditors.

This is for your information and records.

Yours faithfully,
For Kesoram Industries Limited

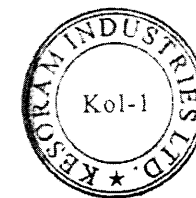


Kaushik Biswas
Company Secretary

Encl: as above

Sl. No.	Particulars	Standalone				Consolidated			
		Current three months ended 30/06/2020 (Unaudited)	Preceding three months ended 31/03/2020 (Unaudited)	Corresponding three months ended in the previous year 30/06/2019 Refer Note A and Note 3 (Unaudited)	Previous Year ended 31/03/2020 (Audited)	Current three months ended 30/06/2020 (Unaudited)	Preceding three months ended 31/03/2020 (Unaudited)	Corresponding three months ended in the previous year 30/06/2019 Refer Note A and Note 3 (Unaudited)	Previous Year ended 31/03/2020 (Audited)
1	Income								
	a) Revenue from Operations	409.03	466.09	718.10	2,329.95	427.29	532.49	800.84	2,645.64
	b) Other Income	26.96	32.78	14.08	79.35	16.30	23.43	5.01	40.35
	Total Income [1(a) + 1(b)]	434.99	498.87	732.18	2,409.30	442.59	555.92	805.85	2,685.99
2	Expenses								
	a) Cost of Materials consumed	40.33	60.07	67.48	246.68	47.51	88.86	93.20	369.16
	b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	3.48	3.47	(14.72)	(5.83)	5.86	(4.74)	(11.61)	(1.91)
	c) Employee benefits expense	29.99	26.52	37.51	133.93	40.16	48.55	58.27	219.55
	d) Depreciation and amortisation expense	22.69	23.04	22.19	91.26	27.99	29.04	27.32	112.61
	e) Finance Costs	68.95	76.89	75.43	315.05	76.50	84.70	83.86	343.64
	f) Power and fuel	87.87	135.54	184.02	639.12	91.65	149.71	196.76	694.96
	g) Packing and carriage	123.50	173.92	230.49	821.70	123.77	175.09	231.51	826.36
	h) Other expenses	40.09	53.89	64.14	265.77	45.10	66.88	74.87	309.19
	Total Expenses [2(a) to 2(h)]	416.89	553.34	667.54	2,507.68	458.54	638.09	759.18	2,873.52
3	Profit/(Loss) before exceptional items and tax (1-2)	18.10	(54.47)	64.64	(98.38)	(15.95)	(82.17)	46.67	(187.53)
4	Exceptional items [Refer Note 7]		(387.12)		(387.12)	-	-	-	-
5	Profit/(Loss) before tax (3+4)	18.10	(441.59)	64.64	(485.50)	(15.95)	(82.17)	46.67	(187.53)
6	Tax expense								
	a) Current tax charge / (credit) (in respect of earlier year)	-	-	-	-	-	-	-	-
	b) Deferred tax charge / (credit)	-	-	-	-	-	-	-	-
7	Net Profit/(Loss) for the period from continuing operations (5- 6)	18.10	(441.59)	64.64	(485.50)	(15.95)	(82.17)	46.67	(187.53)
8	Loss before tax from discontinued operations (Refer Note 2)		-	(57.48)	-	-	-	(57.48)	-
9	Tax charge / (Credit) of discontinued operations		-	-	-	-	-	-	-
10	Loss from discontinued operations after Tax (8-9)		-	(57.48)	-	-	-	(57.48)	-
11	Profit/(Loss) for the period (7+10)	18.10	(441.59)	7.16	(485.50)	(15.95)	(82.17)	(10.81)	(187.53)
12	Other Comprehensive Income (net of tax expense) (Refer Note 1)								
	- Continued Operations	(0.87)	(11.42)	0.02	(11.37)	(1.90)	(15.05)	(0.68)	(16.02)
	- Discontinued Operations	-	-	0.01	-	-	-	0.01	-
13	Total Comprehensive Income (11+12)	17.23	(453.01)	7.19	(496.87)	(17.85)	(97.22)	(11.48)	(203.55)
14	Paid-up equity share capital: (Face value Rs 10/- per share)	142.59	142.59	142.59	142.59	142.59	142.59	142.59	142.59
15	Reserves excluding Revaluation Reserve				(115.23)				(239.84)
16	Earnings Per Share (EPS); (Not Annualised) [Face value of Rs 10/- per share]								
	a) Continuing Operations :								
	- Basic EPS	Rs 1.27	(30.97)	4.53	(34.05)	(1.12)	(5.76)	3.27	(13.18)
	- Diluted EPS	Rs 1.27	(30.97)	4.53	(34.05)	(1.12)	(5.76)	3.27	(13.18)
	b) Discontinued Operations :								
	- Basic EPS	Rs -	-	(4.03)	-	-	-	(4.03)	-
	- Diluted EPS	Rs -	-	(4.03)	-	-	-	(4.03)	-
	c) Continuing and discontinued Operations :								
	- Basic EPS	Rs 1.27	(30.97)	0.50	(34.05)	(1.12)	(5.76)	(0.76)	(13.18)
	- Diluted EPS	Rs 1.27	(30.97)	0.50	(34.05)	(1.12)	(5.76)	(0.76)	(13.18)

[See accompanying notes to the Standalone and Consolidated Financial Results]



KESORAM INDUSTRIES LIMITED

Regd. Office : 9/1, R. N. Mukherjee Road, Kolkata - 700 001

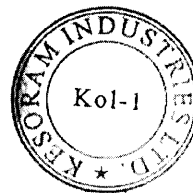
Statement of Standalone and Consolidated Unaudited Financial Results for the quarter ended 30th June, 2020

Statement of Segment Revenue, Results, Assets and Liabilities

		Consolidated			Rs./Crores
Sl. No.	Particulars	Current three months ended 30/06/2020 (Unaudited)	Preceding three months ended 31/03/2020 (Unaudited)	Corresponding three months ended in the previous year 30/06/2019 Refer Note A and Note 3 (Unaudited)	Previous Year ended 31/03/2020 (Audited)
1	Segment Revenue				
a	Cement	409.03	466.09	718.10	2,329.95
b	Rayon, T.P. and Chemicals	18.26	66.40	82.74	315.69
	Total	427.29	532.49	800.84	2,645.64
	Less: Inter Segment Revenue (at cost)	-	-	-	-
	Sales /Income	427.29	532.49	800.84	2,645.64
	Total Revenue from Operations	427.29	532.49	800.84	2,645.64
2	Segment Results [Profit/(Loss) before tax and interest]				
a	Cement	73.83	10.25	123.45	157.44
b	Rayon, T.P. and Chemicals	(14.26)	(9.08)	3.11	(9.51)
	Total	59.57	1.17	126.56	147.93
	Less:				
	Interest	75.52	83.34	79.89	335.46
	Total Loss before tax	(15.95)	(82.17)	46.67	(187.53)
3	Segment Assets				
a	Cement	2,591.99	2,561.93	2,637.97	2,561.93
b	Rayon, T.P. and Chemicals	634.00	649.94	801.48	649.94
	Total	3,225.99	3,211.87	3,439.45	3,211.87
4	Segment Liabilities				
a	Cement	3,042.48	3,004.11	3,047.03	3,004.11
b	Rayon, T.P. and Chemicals	298.49	304.91	240.14	304.91
	Total	3,340.97	3,309.02	3,287.17	3,309.02

A. Information related to discontinued operations

Particulars	Rs./Crores
	Corresponding three months ended in the previous year 30/06/2019 (Unaudited)
A Segment Revenue (Net Sales /Income from	209.83
B Segment Results (Loss before Interest & Tax)	(22.61)
C. Finance Cost	34.87
D. Total Loss before tax	(57.48)
E Segment Assets	1,805.59
F Segment Liabilities	1,857.07



Note: Pursuant to restructuring, the tyre business has been demerged from Kesoram Industries Limited. Therefore, at standalone financial statement level, the Company operates in one segment i.e. "Cement".

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Statement of Standalone and Consolidated Unaudited Financial Results for the quarter ended 30th June, 2020

- 1 Other Comprehensive Income includes impact of fair valuation of non-current investments and re-measurement gains/ (losses) on actuarial valuation of post employment defined benefits. These items will not be reclassified to profit or loss.
- 2 The figures for the quarter ended 31st March, 2020 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.
- 3 Previous period numbers for the quarter ended 30th June, 2019 has been reclassified into continued and discontinued operations pursuant to The Scheme of Demerger between the Company and Birla Tyres Limited ("Resulting Company") and their respective shareholders and creditors ("Scheme"). The Scheme was approved by the Hon'ble National Company Law Tribunal ('NCLT') on 08 November, 2019 and on filing of the scheme with Registrar of Companies, the Scheme became effective on December 04, 2019. Pursuant to the Scheme becoming effective, the Tyre business undertaking is demerged from the Company and transferred to and vested in the Resulting Company with effect from January 01, 2019 i.e. the Appointed Date.

The impact of above re-presentation on previous period figures is as follows

Rs./Crores

Particulars	Corresponding three months ended in the previous year 30/06/2019 (Unaudited)
A Total Income	211.54
B Total Expenses	269.02
C Loss before Tax (A-B)	(57.48)
D Tax Expense/ (Credit)	-
E. Loss from Discontinued Operations (C-D)	(57.48)

- 4 The Company had losses during the previous year and during the current quarter also margins have got majorly impacted due to lower volumes and finance costs which has resulted in contraction in net worth as at June 30, 2020 at consolidated level. The net current liabilities as at June 30, 2020 were 1,160.25 Crore at Standalone and Rs 1,264.17 Crore at Consolidated level respectively. Further, the Company has not complied with certain financial debt covenants, defaulted in repayment of letter of credit, working capital facilities and interest payable to lenders aggregating to Rs 410.38 Crore in respect of its term loans and working capital facilities as on June 30, 2020. The default is primarily caused to due to liquidity mismatch, while the company has continued to generate positive cash flow from its business operations.
The Board of directors has evaluated these conditions and has advised management to take measures to improve the liquidity condition of the Company. The Company is working towards a resolution plan with the lenders and has signed a non-binding term sheet with a potential investor, which will enable the Company to scale up its operations and meet the remaining financial obligations. The management is expecting to get the necessary approval of the stakeholders. The Company's ability to as a going concern is dependent on successful outcome of the above mentioned management plans. In addition, the Promoter Group, has consistently demonstrated its financial commitment in the Company and would continue with that support in future as and when necessary. Accordingly, these financial information have been prepared on the basis that the Company will continue as a going concern.
- 5 As per the directives of both the Central and State Governments in the wake of COVID-19 pandemic, the operations of the Company were impacted, due to shutdown of all plants and offices following nationwide lockdown by the Government of India. The Company has resumed operations in a phased manner as per directives from the Government of India. The Management has considered the possible effects, if any, that may result from the pandemic on the carrying amounts of current assets after considering internal and external sources of information including the possible future uncertainties in the global economic conditions as at the date of approval of these financial results. Given the uncertainties associated with pandemic's nature and duration, the actuals may differ from the estimates considered in these financial results. The Company continues to closely monitor the rapidly changing situation.
- 6 The external borrowings from banks as recorded in the books of the Company is after giving effect to transfer of borrowings to the Resulting Company in accordance with the NCLT approved scheme as stated above. The banks are in the process of splitting the loan as per the order.
- 7 During the previous year ended 31st March, 2020, the company has carried out an impairment analysis in respect of its exposure to its WOS (CIL). The company has followed the Discounted Cash flow method to ascertain the recoverable amounts, consequently an impairment of Rs. 387.12 crores has been accounted by the company against the total exposure of Rs. 856.69 crores.
- 8 Figures for the previous period have been regrouped/reclassified wherever necessary to conform to current period's classification.
- 9 The Statutory Auditors have carried out a Limited Review of the above unaudited financial results for the quarter and three months ended 30th June, 2020. The financial results have been approved by the Board of Directors on 30th July, 2020 after review thereof by the Audit Committee.



By Order of the Board

PADMALOCHAN
AN
RADHAKRISHNA
N

P. Radhakrishnan
Whole-time Director

Place: Kolkata
Date: 30th July, 2020

Deloitte Haskins & Sells

Chartered Accountants
13th & 14th Floor
Building-Omega
Bengal Intelligent Park
Block-EP & GP, Sector-V
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Kolkata-700 091

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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF KESORAM INDUSTRIES LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **KESORAM INDUSTRIES LIMITED** ("the Company"), for the quarter ended 30th June, 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), 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 express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, 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 amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 4 of the Statement regarding preparation of the financial results of the Company on a going concern and the current quarter margins have got majorly impacted due to lower volumes and finance cost. The Company had incurred losses during the previous years. The net current liabilities are Rs. 1160.25 crore as at June 30, 2020. These conditions, along with the outcome of other matters as set forth in Note 4, indicate existence of material uncertainty, which may cast significant doubts about the Company's ability to continue as a going concern.

Our report is not modified in respect of this matter.

6. We draw attention to Note 6 of the Statement, which state that the external borrowings from banks as recorded in Financial information used in preparation of the Statement, is after giving effect to transfer of borrowings to the Resulting Company in accordance with the NCLT approved scheme and that the banks are in the process of splitting the loan as per the order. The Company has received the external confirmations from some banks on the outstanding loan balances as on June 30, 2020

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without giving effect to transfer of borrowings to the Resulting Company in accordance with the NCLT approved scheme and the balance as per confirmation does not match to the balance disclosed, to the extent of borrowings transferred to the Resulting Company.

Our opinion is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 302009E)

ABHIJIT
BANDYOPADHYAY

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Date: 2020.07.30 17:11:41
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Abhijit Bandyopadhyay
(Partner)
(Membership No. 054785)
UDIN: 20054785AAAACK8788

Place: Kolkata
Date: 30 July, 2020

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF KESORAM INDUSTRIES LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **KESORAM INDUSTRIES LIMITED** ("the Parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group"), and its share of net loss after tax and total comprehensive loss of its joint venture for the quarter ended 30th June, 2020 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), 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 express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of Cygnet Industries Limited (Subsidiary) and Gondhkari Coal Mining Limited (Joint Venture).
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 8 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, 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 amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note 4 of the Statement regarding preparation of the financial results of the Group on a going concern. The Group had incurred losses during the previous years and continue to incur losses in the current year. The net current liabilities are Rs. 1264.17 crore as at June 30, 2020. These conditions, along with the outcome of other matters as set forth in Note 4, indicate existence of material uncertainty, which may cast significant doubts about the Group's ability to continue as a going concern.

Our report is not modified in respect of this matter.

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7. We draw attention to Note 6 of the Statement, which state that the external borrowings from banks as recorded in Financial information used in preparation of the Statement, is after giving effect to transfer of borrowings to the Resulting Company in accordance with the NCLT approved scheme and that the banks are in the process of splitting the loan as per the order. The Parent has received the external confirmations from some banks on the outstanding loan balances as on June 30, 2020 without giving effect to transfer of borrowings to the Resulting Company in accordance with the NCLT approved scheme and the balance as per confirmation does not match to the balance disclosed, to the extent of borrowings transferred to the Resulting Company.

Our opinion is not modified in respect of this matter.

8. We did not review the interim financial information of 1 (one) subsidiary included in the consolidated unaudited financial results, whose interim financial information reflect total revenues of Rs. 18.26 crores for the quarter ended 30th June, 2020, total net loss after tax of Rs. 34.02 crores for the quarter ended 30th June, 2020 and total comprehensive loss of Rs. 35.05 crores for the quarter ended 30th June, 2020, as considered in the Statement. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of these matters.

9. The consolidated unaudited financial results also includes the Group's share of loss after tax of Rs. NIL for the quarter ended June 30, 2020 and total comprehensive loss of Rs. NIL for the quarter ended June 30, 2020, as considered in the Statement, in respect of 1 (one) joint venture based on their interim financial information which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group.

Our Conclusion on the Statement is not modified in respect of our reliance on the interim financial information certified by the Management.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 302009E)

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BANDYOPADHYAY

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Abhijit Bandyopadhyay
Partner
Membership No. 054785
UDIN: 20054785AAAAACL5636

Place: Kolkata
Date: July 30, 2020