

Ref.No.: KIL/SS/SE/2019-20

Dated : 11.02.2020

The Secretary  
The Calcutta Stock Exchange Ltd.  
7, Lyons Range,  
Kolkata - 700 001

The Secretary  
BSE Limited  
Dept. of Corporate Services  
(Listing Department)  
Rotunda Building, P.J. Towers,  
Dalal Street, Mumbai - 400 001

The Asst. Vice-President  
National Stock Exchange of India Ltd.  
Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1,  
G Block, Bandra-Kurla Complex, Bandra (E),  
Mumbai - 400 051

Dear Sir,  
Sub: Outcome of a Board Meeting held on 11<sup>th</sup> February, 2020

In continuation of our letter under reference KIL/SS/SE/2019-20 dated 1<sup>st</sup> February, 2020, we wish to inform you that the Board of Directors of the Company at its meeting held today approved the Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and nine months ended 31<sup>st</sup> December, 2019, as recommended by the Audit Committee.

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the following:

- i. Statements showing the Unaudited Financial Results (Standalone and Consolidated) for the quarter and nine months ended 31<sup>st</sup> December, 2019 ; and
- ii. Limited Review Report for both Standalone and Consolidated issued by the Statutory Auditors.

Please acknowledge the receipt.  
Thanking you,  
Yours faithfully,  
**For Kesoram Industries Limited**



**Kaushik Biswas**  
**Company Secretary**

Encl: as above

## 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 and nine months ended 31 December 2019 ("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.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 302009E)



**Abhijit Bandyopadhyay**  
(Partner)

Membership No. 054785  
UDIN: 20054785AAAAAL1448

Place: Kolkata  
Date: 11 February 2020

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

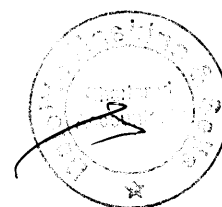
### **TO THE BOARD OF DIRECTORS OF KESORAM INDUSTRIES LIMITED**

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"), for the quarter and nine months ended 31 December 2019 ("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.

Attention is drawn to Note 4 to the Statement which states that the consolidated figures for the corresponding quarter and nine months ended 31 December 2019, as reported in the accompanying Statement have been approved by the Parent's Board of Directors, but have not been subjected to our review.

4. The Statement includes the results of Cygnet Industries Limited (Subsidiary)
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 the other auditors referred to in paragraph 6 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.



## **Deloitte Haskins & Sells**

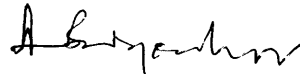
6. We did not review the interim financial information of one subsidiary included in the consolidated unaudited financial results, whose interim financial information reflect total revenues of Rs. 91.95 crore and Rs. 260.04 crores for the quarter and nine months ended 31 December 2019 respectively, total net loss after tax of Rs. 25.20 crores and Rs. 61.56 crore for the quarter and nine months ended 31 December 2019 respectively and total comprehensive loss of Rs. 25.36 crore and Rs. 62.58 crore for the quarter and nine months ended 31 December 2019 respectively, 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 in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is based solely on the report of such 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.

7. In the case of one joint venture, the unaudited financial information as on 31 December 2019 is not available. The investment in this company has been fully impaired as at 31 December 2019 and the results does not include the Group's share of profit / (loss) of the joint venture.

Our Conclusion on the Statement is not modified in respect of the above matter.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 302009E)



**Abhijit Bandyopadhyay**  
(Partner)  
Membership No. 054785)  
UDIN: 20054785AAAAAM2458

Place: Kolkata  
Date: 11 February 2020



**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 and nine months ended 31st December, 2019

**Statement of Segment Revenue, Results, Assets and Liabilities**

Rs./Crores

Sl. No.	Particulars	Consolidated					Previous Year ended 31/03/2019 Refer Note A and Note 2 (Audited)
		Current three months ended 31/12/2019 (Unaudited)	Preceding three months ended 30/09/2019 (Unaudited)	Corresponding three months ended in the previous year 31/12/2018 Refer Note A and Note 2 (Unaudited)	Current nine months ended 31/12/2019 (Unaudited)	Corresponding nine months ended in the previous year 31/12/2018 Refer Note A and Note 2 (Unaudited)	
1	Segment Revenue						
a	Cement	559.56	586.20	649.00	1,863.86	1,797.28	2,580.56
b	Rayon, T.P. and Chemicals	81.20	85.35	83.99	249.29	246.06	323.35
	Total	640.76	671.55	732.99	2,113.15	2,043.34	2,903.91
	Less: Inter Segment Revenue ( at cost )	-	-	-	-	-	-
	Sales /Income	640.76	671.55	732.99	2,113.15	2,043.34	2,903.91
	Total Revenue from Operations	640.76	671.55	732.99	2,113.15	2,043.34	2,903.91
2	Segment Results [Profit /(Loss) before tax and interest]						
a	Cement	(8.71)	32.26	30.74	147.03	84.85	218.43
b	Rayon, T.P. and Chemicals	(7.32)	3.84	1.24	(0.40)	2.77	5.49
	Total	(16.03)	36.10	31.98	146.63	87.62	223.92
	Less: Interest	86.39	85.83	84.76	252.12	262.50	336.30
	Total Loss before tax	(102.42)	(49.73)	(52.78)	(105.49)	(174.88)	(112.38)
3	Segment Assets						
a	Cement	2,610.86	2,657.77	2,562.09	2,610.86	2,562.09	2,498.05
b	Rayon, T.P. and Chemicals	654.87	638.45	805.65	654.87	805.65	644.17
	Total	3,265.73	3,296.22	3,367.74	3,265.73	3,367.74	3,142.22
4	Segment Liabilities						
a	Cement	2,937.98	2,955.01	3,076.24	2,937.98	3,076.24	2,737.41
b	Rayon, T.P. and Chemicals	327.88	238.77	270.04	327.88	270.04	298.44
	Total	3,265.86	3,193.78	3,346.28	3,265.86	3,346.28	3,035.85

**A. Information related to discontinued operations**

Rs./Crores

Particulars	Corresponding three months ended in the previous year 31/12/2018 (Unaudited)	Corresponding nine months ended in the previous year 31/12/2018 (Unaudited)	Previous year ended 31-03-2019 (Audited)
A. Segment Revenue (Net Sales /Income from	335.21	1,044.81	1,298.10
B. Segment Results (Loss before Interest & Tax)	(43.46)	(71.21)	(107.02)
C. Finance Cost	38.68	115.53	155.86
D. Total Loss before tax	(82.14)	(186.74)	(262.88)
E. Segment Assets	1,939.76	1,939.76	1,832.00
F. Segment Liabilities	1,858.00	1,858.00	1,826.04

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".



- 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.
- The Scheme of Demerger between the Company and Birla Tyres Limited ("Resulting Company") and their respective shareholders and creditors ("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.

Accordingly, the Company has recognised the effect of demerger and the difference of Rs 81.76 crore i.e. excess of the value of transferred assets over the transferred liabilities pertaining to the demerged undertaking pursuant to the Scheme has been debited to the Retained earnings of the Company. Further, general or multipurpose borrowings of the Company transferred to the Resulting Company in the ratio of the value of assets transferred bears to the total value of the assets of the Company immediately before the appointed date in terms of the said scheme. The operations of the Tyre business (demerged undertaking) has been re-presented for all previous periods as discontinued operations.

Consequent to the scheme of demerger, Loss After Tax and Total Comprehensive loss of Standalone financial results for the quarter ended 30th September 2019 stands at Rs. 31.36 crore and Rs. 31.35 crore against Rs. 115.21 crore and Rs. 115.19 crore as published earlier. Also, Loss After Tax and Total Comprehensive loss of Consolidated financial results for the quarter ended 30th September 2019 stands at Rs. 49.76 crore and Rs. 49.91 crore against Rs. 133.58 crore and Rs. 133.72 crore as published earlier. The numbers published earlier, referred to hereinbefore, were computed without considering the impact of the Scheme

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

Particulars	Rs./Crores		
	Corresponding three months ended in the previous year 31/12/2018 (Unaudited)	Corresponding nine months ended in the previous year 31/12/2018 (Unaudited)	Previous year ended 31-03-2019 (Audited)
A. Total Income	340.10	1,058.03	1,325.54
B. Total Expenses	422.24	1,244.77	1,588.42
C. Loss before Tax (A-B)	(82.14)	(186.74)	(262.88)
D. Tax Expense/ (Credit)	-	-	-
<b>E. Loss from Discontinued Operations (C-D)</b>	<b>(82.14)</b>	<b>(186.74)</b>	<b>(262.88)</b>

- Effective from 1st April 2019, the Group has adopted Ind AS 116 'Leases'. On transition, the Group has recorded the lease liability at the present value of future lease payments discounted using the incremental borrowing rate and has also chosen to measure the right-of-use asset at the same value as the lease liability. The adoption of this standard did not have any significant impact on the results for the period and earnings per share.
- The Consolidated Figures for the corresponding quarter and nine months ended 31st December, 2018 have been reviewed by Board of Directors of the Company but has not been subjected to Limited Review by the Statutory Auditors.
- The company has incurred losses during the quarter and nine months period ended 31st December, 2019. However the losses have reduced on nine months period ended 31st December, 2019 in relation to the comparative period. There is stretch on liquidity. However the promoter group has consistently demonstrated its financial commitment in the company and would continue with that support.
- Figures for the previous period have been regrouped/reclassified wherever necessary to conform to current period's classification.
- The Statutory Auditors have carried out a Limited Review of the above unaudited financial results for the quarter and nine months ended 31st December, 2019. The financial results have been approved by the Board of Directors on 11th February, 2020 after review thereof by the Audit Committee



Place: Kolkata  
Date: 11th February, 2020



By Order of the Board

P. Radhakrishnan  
Whole-time Director