

10<sup>th</sup> November, 2017

The Secretary  
BSE Ltd., Floor 25, P. J. Tower  
Dalal Street,  
Mumbai – 400001

The Vice-President  
National Stock Exchange of India Ltd.  
“Exchange Plaza”  
Bandra-Kurla Complex, Bandra (E)  
Mumbai – 400051

The Secretary  
The Calcutta Stock Exchange Ltd.  
7, Lyons Range,  
Kolkata – 700001

Dear Sirs,

**Sub: Unaudited Financial Results for the quarter and half year ended September 30, 2017.**

In continuation of our letter dated October 30, 2017, we wish to inform you that the Board of Directors of the Company at its meeting held today has approved the Unaudited Financial Results for the quarter and half year ended September 30, 2017 as recommended by the Audit Committee.

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

- i) Unaudited Financial Results (Standalone) for the quarter and half year ended September 30, 2017.
- ii) Limited Review Report for the aforesaid period by Deloitte Haskins & Sells.

Kindly acknowledge the receipt.

Yours faithfully,  
For **KESORAM INDUSTRIES LIMITED**

**GAUTAM GANGULI**  
Company Secretary

Encl: as above

## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM 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 six months ended September 30, 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, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Company's Management and approved by the 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 issue a report on the Statement based on our review.

2. 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. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. 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. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards 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 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.
4. The previously issued financial information of the Company for the quarter and six months ended September 30, 2016 was prepared in accordance with the Companies (Accounting Standards) Rules, 2006 and reviewed by the predecessor



auditor (whose report dated 09 November, 2016 expressed an unmodified conclusion). These previously issued financial information have been restated to comply with Ind AS and included in this Statement as comparative financial information. The adjustments made to the previously issued financial information to comply with Ind AS have been reviewed by us.

Our report is not modified in respect of this matter.

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



Abhijit Bandyopadhyay  
Partner  
(Membership No. 054785)

KOLKATA, 10 November, 2017

KESORAM INDUSTRIES LIMITED

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

Statement of Standalone Unaudited Financial Results for the quarter and six months ended 30th September, 2017

(Approved by the Board of Directors on 10th November, 2017 after review thereof by the Audit Committee )

		Rs./Crores				
Sl. No.	Particulars	Current three months ended 30/09/2017 (Unaudited)	Preceding three months ended 30/06/2017 (Unaudited)	Corresponding three months ended in the previous year 30/09/2016 (Unaudited)	Current six months ended 30/09/2017 (Unaudited)	Corresponding six months ended in the previous year 30/09/2016 (Unaudited)
1	Income					
	a) Revenue from Operations	840.58	995.65	990.28	1,836.23	2,055.10
	b) Other Income	17.93	19.77	26.66	37.70	35.70
	<b>Total Income [1(a) + 1(b)]</b>	<b>858.51</b>	<b>1,015.42</b>	<b>1,016.94</b>	<b>1,873.93</b>	<b>2,090.80</b>
2	Expenses					
	a) Cost of Materials consumed	222.13	296.53	219.04	518.66	485.62
	b) Purchase of stock-in-trade	35.08	48.46	92.29	83.54	108.83
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	40.47	(56.56)	15.02	(16.09)	91.97
	d) Excise Duty	-	117.46	99.98	117.46	216.49
	e) Employee benefits expense	77.72	83.32	75.64	161.04	149.86
	f) Depreciation and amortisation expense	34.22	31.14	35.59	65.36	66.60
	g) Finance Costs	107.85	88.09	55.51	195.94	147.25
	h) Power and fuel	157.14	161.20	135.27	318.34	307.80
	i) Packing and carriage	181.43	215.42	208.83	396.85	405.40
	j) Other expenses	132.17	128.98	120.39	261.15	242.75
	<b>Total Expenses [2(a) to 2(j)]</b>	<b>988.21</b>	<b>1,114.04</b>	<b>1,057.56</b>	<b>2,102.25</b>	<b>2,222.57</b>
3	<b>Profit/(Loss) before exceptional items and tax (1-2)</b>	<b>(129.70)</b>	<b>(98.62)</b>	<b>(40.62)</b>	<b>(228.32)</b>	<b>(131.77)</b>
4	Exceptional items (Net)	(9.89)	(23.97)	38.85	(33.86)	133.55
5	<b>Profit/(Loss) before tax (3+4)</b>	<b>(139.59)</b>	<b>(122.59)</b>	<b>(1.77)</b>	<b>(262.18)</b>	<b>1.78</b>
6	Tax expense					
	a) Current tax charge / (credit)	-	-	0.97	-	4.69
	b) Deferred tax charge / (credit)	-	-	-	-	-
7	<b>Net Profit/(Loss) for the period (5-6)</b>	<b>(139.59)</b>	<b>(122.59)</b>	<b>(2.74)</b>	<b>(262.18)</b>	<b>(2.91)</b>
8	Other Comprehensive Income (net of tax expense)	(7.87)	(0.40)	0.25	(8.27)	0.69
9	<b>Total Comprehensive Income (7+8)</b>	<b>(147.46)</b>	<b>(122.99)</b>	<b>(2.49)</b>	<b>(270.45)</b>	<b>(2.22)</b>
10	Paid-up equity share capital (Face value Rs. 10/-per share)	124.77	124.77	117.27	124.77	117.27
11	Earnings Per Share (EPS) (Not Annualised) [Face value of Rs.10/- per share]					
	a) Basic EPS	Rs. (11.21)	(10.44)	(0.24)	(21.65)	(0.25)
	b) Diluted EPS	Rs. (11.21)	(10.44)	(0.24)	(21.65)	(0.25)



KESORAM INDUSTRIES LIMITED

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Statement of Standalone Unaudited Financial Results for the quarter and six months ended 30th September, 2017

(Approved by the Board of Directors on 10th November, 2017 after review thereof by the Audit Committee )

Statement of Segment Revenue, Results , Assets and Liabilities

Rs./Crores

Sl. No.	Particulars	Current three months ended 30/09/2017 (Unaudited)	Preceding three months ended 30/06/2017 (Unaudited)	Corresponding three months ended in the previous year 30/09/2016 (Unaudited)	Current six months ended 30/09/2017 (Unaudited)	Corresponding six months ended in the previous year 30/09/2016 (Unaudited)
1	Segment Revenue					
a	Tyres	349.61	363.13	395.32	712.74	859.30
b	Cement	490.97	632.52	584.74	1,123.49	1,185.58
c	Unallocated	-	-	10.22	-	10.22
	Total	840.58	995.65	990.28	1,836.23	2,055.10
	Less: Inter Segment Revenue ( at cost )	-	-	-	-	-
	Sales /Income	840.58	995.65	990.28	1,836.23	2,055.10
	Total Revenue from Operations	840.58	995.65	990.28	1,836.23	2,055.10
2	Segment Results (Profit /(Loss) before tax and interest)					
a	Tyres	(46.49)	(51.22)	(3.58)	(97.71)	(3.58)
b	Cement	33.45	55.24	27.69	88.69	52.87
	Total	(13.04)	4.02	24.11	(9.02)	49.29
	Less:					
	i) Interest	107.84	87.58	53.09	195.42	140.71
	ii) Other un-allocable expenditure net of other un-allocable (income) and exceptional items (net)	18.71	39.03	(27.21)	57.74	(93.20)
	Total Profit/(Loss) before tax	(139.59)	(122.59)	(1.77)	(262.18)	1.78
3	Segment Assets					
a	Tyres	2,047.46	2,059.20	1,885.62	2,047.46	1,885.62
b	Cement	2,069.38	2,118.69	2,060.31	2,069.38	2,060.31
c	Unallocated	1,741.65	1,599.96	1,114.89	1,741.65	1,114.89
	Total	5,858.49	5,777.85	5,060.82	5,858.49	5,060.82
4	Segment Liabilities					
a	Tyres	986.91	873.38	733.56	986.91	733.56
b	Cement	473.95	422.87	438.53	473.95	438.53
c	Unallocated	3,748.20	3,662.61	2,904.80	3,748.20	2,904.80
	Total	5,209.06	4,958.86	4,076.89	5,209.06	4,076.89



KESORAM INDUSTRIES LIMITED

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Statement of Standalone Unaudited Financial Results for the quarter and six months ended 30th September, 2017  
(Approved by the Board of Directors on 10th November, 2017 after review thereof by the Audit Committee )

Statement of Assets & Liabilities

Rs./Crores

Particulars	As at 30.09.2017	
	(Unaudited)	
<b>A. ASSETS</b>		
<b>(1) NON-CURRENT ASSETS</b>		
(a) Property, Plant and Equipment		2,388.04
(b) Capital work-in-progress		761.58
(c) Other intangible assets		0.31
(d) Financial assets		
(i) Investments		100.56
(ii) Other financial assets		31.40
(e) Current tax assets (net)		47.24
(f) Other non-current assets		528.28
	Total Non-Current Assets	3,857.41
<b>(2) CURRENT ASSETS</b>		
(a) Inventories		451.10
(b) Financial assets		
(i) Trade receivables		475.59
(ii) Cash and cash equivalents		24.95
(iii) Other bank balances		37.78
(iv) Loans		667.80
(v) Other financial assets		27.88
(c) Other current assets		315.98
	Total Current Assets	2,001.08
<b>TOTAL ASSETS</b>		<b>5,858.49</b>
<b>B. EQUITY AND LIABILITIES</b>		
<b>(1) EQUITY</b>		
(a) Equity share capital		124.77
(b) Other equity		524.66
	Total Equity	649.43
<b>(2) NON-CURRENT LIABILITIES</b>		
(a) Financial liabilities		
(i) Borrowings		2,635.61
(ii) Other financial liabilities		246.37
(b) Provisions		13.95
(c) Deferred tax liabilities (net)		-
(d) Other Non-current liabilities		1.67
	Total Non-Current Liabilities	2,897.60
<b>(3) CURRENT LIABILITIES</b>		
(a) Financial liabilities		
(i) Borrowings		1,173.59
(ii) Trade payables		675.20
(iii) Other financial liabilities		141.87
(b) Provisions		68.58
(c) Current tax liabilities (net)		51.63
(d) Other current liabilities		200.59
	Total Current Liabilities	2,311.46
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,858.49</b>



**KESORAM INDUSTRIES LIMITED**

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

**Statement of Standalone Unaudited Financial Results for the quarter and six months ended 30th September, 2017**

(Approved by the Board of Directors on 10th November, 2017 after review thereof by the Audit Committee )

- 1 The Company has adopted Indian Accounting Standard (Ind AS) with effect from 1st April, 2017 and accordingly, these financial results have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS 34 – Interim Financial Reporting, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- 2 The Company has availed the exemption as given in SEBI Circular number CIR/CFD/FAC/62/2016 dated 5th July, 2016 and accordingly results for the previous year ended 31st March, 2017 and Statement of Assets and Liabilities as on 31st March, 2017 have not been included in this statement.
- 3 Reconciliation between financial results as reported under erstwhile Indian GAAP (referred to as 'IGAAP' ) and Ind AS are summarised as below:

Rs./Crores

Sl. No.	Particulars	Corresponding three months ended in the previous year 30/09/2016 (Unaudited)	Corresponding six months ended in the previous year 30/09/2016 (Unaudited)
	<b>Profit/(Loss) after tax reported under previous GAAP</b>	<b>9.67</b>	<b>19.16</b>
i	Impact on account of recognising borrowings using effective interest rate method	(5.18)	(8.38)
ii	Impact of fair valuation of derivatives	(0.08)	(19.27)
iii	Impact of reversal of foreign exchange translation losses taken to FCMITDA	-	15.91
iv	Impact of additional depreciation on fair valuation of building at the transition date	(7.47)	(10.90)
v	Other items	0.32	0.57
	<b>Profit/(Loss) after tax as per Ind AS</b>	<b>(2.74)</b>	<b>(2.91)</b>
	Other Comprehensive Income (net of tax)	0.25	0.69
	<b>Total Comprehensive Income as reported under Ind AS</b>	<b>(2.49)</b>	<b>(2.22)</b>

- 4 Exceptional item during the quarter ended 30th September, 2017 and 30th June, 2017 represent expenditure incurred on a Voluntary Retirement Scheme floated by the Company.
- 5 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.
- 6 On 1st July, 2017, the Company has completed the acquisition of two undertakings viz. Spun Pipes & Foundries and Hindustan Heavy Chemicals from Camden Industries Limited, a domestic Indian Company, through the slump sale route at a consideration of Rs. 422 crores.
- 7 Goods and Services Tax (GST) has been implemented with effect from 1st July 2017. Consequently, Central Excise, Value Added Tax (VAT), Service Tax etc. have been replaced by GST. GST, VAT, Service Tax etc. are not included in Revenue from Operations. However, excise duty was included in Revenue from Operations till 30th June, 2017. Hence, reported revenue for the period up to 30th June, 2017 are not comparable with those thereafter.
- 8 The Statutory Auditors have carried out a Limited Review of the above unaudited financial results for the quarter and six months ended 30th September, 2017 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they have expressed an unmodified opinion.

By Order of the Board



Tridib Kumar Das

Whole-time Director and  
Chief Financial Officer

Place: Kolkata  
Date: 10th November, 2017

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