



# KESORAM INDUSTRIES LIMITED



Meeting New Challenges Everyday!

90TH  
ANNUAL  
REPORT &  
ACCOUNTS  
2008-



**Shri Basant Kumar Birla**  
*Chairman*

## Message of the Chairman

**I**n a globalised environment, it is inescapable that our economy, while it has the benefit of a big domestic market, will be impacted by developments outside. The global financial crisis triggered by subprime lending and the consequent economic contraction in the US, Europe and Japan reminded us of the Great Depression. You will have noted that as major economies like the US and Japan slipped into recession, our exports recorded negative growth every month in the second half of 2008-09. The fall in non-oil imports in the final quarter of 2008-09 is to be seen as a statement of how some of the sectors of our industrial economy is faring.

What I, however, find reassuring is that the world leadership, including our own, has risen to the occasion so splendidly that we have now started seeing the green shoots of economic recovery. On the back of stimulus packages by individual countries, has come the decision at the G20 summit to make available \$1 trillion of additional lending, mostly through the International Monetary Fund, to end the worldwide slump. We must have global economic recovery but at the same time we have to see that economic nationalism does not raise its head in the form of protectionism. The welfare of many of our industries depends on free access to the world market.

It speaks volumes of the resilience of the Indian economy that even while it is still being debated as to how far away the world's major economies are from a turnaround, we will be seeing a GDP growth of 6 to 7 per cent this year. Our growth will be riding on the back of domestic demand. I shall still be urging our government to ensure that industry has the benefit of greater liquidity.

The working of the Cement Sections of your company will be significantly influenced by investment in infrastructure development and house construction. The government assures us that there is going to be no let up in pushing through infrastructure projects. Hopefully, it will not be very long before house construction, backed by easy bank loans, gets a boost. The new financial year has begun on a promising note for the automobile industry with all major players reporting healthy rise in sales. This should bring good tidings for the Tyre Section, which is expanding capacity in a big way.

Basant Kumar Birla

# 90<sup>th</sup> ANNUAL REPORT & ACCOUNTS 2008-09

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**KESORAM  
INDUSTRIES  
LIMITED**

#### Registered Office

8th Floor, Birla Building  
9/1, R. N. Mukherjee Road  
Kolkata 700 001

#### Bankers

State Bank of India-*Lead Bank*

Allahabad Bank, BNP Paribas, Canara Bank, Citibank N. A., HDFC Bank Ltd., Hongkong and Shanghai Banking Corpn. Ltd., ICICI Bank Ltd., IndusInd Bank Ltd., Standard Chartered Bank, State Bank of Hyderabad, State Bank of Indore, State Bank of Bikaner & Jaipur, State Bank of Mysore and UCO Bank.

#### Auditors

Messrs Price Waterhouse

#### Share Transfer Agent

MCS Ltd.,  
77/2A, Hazra Road, Kolkata 700 029

***Shareholders seeking information on accounts published herein are requested to send their queries to the Company at least TEN days before the date of the Meeting.***

***Members are requested to bring at the meeting with them the printed copy of Annual Report & Accounts being sent to them along with the Notice to avoid inconvenience.***

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**Shri Basant Kumar Birla**  
Chairman

## BOARD OF DIRECTORS



Shri Krishna Gopal Maheshwari



Shri Bhagwati Prasad Bajoria



Shri Pesi Kushru Choksey



Shri Amitabha Ghosh



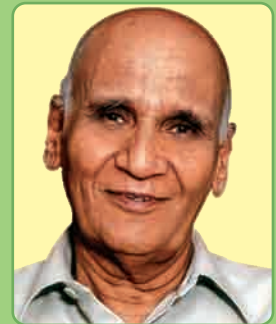
Shri Govind Ballabh Pande  
(Nominee of LIC)



Shri Prasanta Kumar Mallik



Smt. Manjushree Khaitan



Shri Shiv Kumar Parik  
(Also Company Secretary)

## TEAM OF EXECUTIVES

**Shri K. C. Jain**  
Sr. President  
Cement Sections &  
Manager of the Company

### CORPORATE OFFICE

**Shri U. S. Asopa**  
Sr. Vice President (Finance)

**Shri S. R. Chamaria**  
Sr. Vice President (Accounts & HRD)

**Shri Suresh Sharma**  
Sr. Vice President (Commercial)

**Shri G. K. Ojha**  
Vice President (Secretarial)

**Shri Vikash Agarwal**  
Vice President (Taxation)

### VASAVADATTA CEMENT SECTION

<b>Shri D. S. Bindra</b>	President
<b>Shri P. R. Sharma</b>	Joint President
<b>Shri C. K. Jain</b>	Joint President (O&M and TPH)
<b>Shri P. S. Rao</b>	Joint President (Projects)
<b>Shri Yaswant Mishra</b>	Sr. Vice President & Marketing Head
<b>Shri O. P. Sharma</b>	Vice President (Commercial)
<b>Shri I. K. Purohit</b>	Vice President (Sales & Marketing)
<b>Shri R. K. Gandhi</b>	Vice President (Production & Quality Control)
<b>Shri A. C. Basak</b>	Vice President (Mines)
<b>Shri Ajit Kulkarni</b>	Vice President (HR)
<b>Shri B. K. Sharma</b>	Vice President (Mechanical)

### KESORAM CEMENT SECTION

<b>Shri S. V. Tapadia</b>	Joint President (Fin. & Admin.)
<b>Shri K. L. Narayana Rao</b>	Joint President (Technical)
<b>Shri Rajesh Garg</b>	Vice President (Mines)
<b>Shri Mahesh Agarwal</b>	Vice President (Technical)
<b>Shri Ashok Ostwal</b>	Vice President (Sales & Marketing)

### BIRLA TYRES SECTIONS

<b>Shri Deepak Tandon</b>	Sr. President
<b>Shri R. K. Shah</b>	Sr. Vice President (Commercial)
<b>Shri A. K. Uppal</b>	Sr. Vice President (Marketing)
<b>Shri Anoj Agarwal</b>	Sr. Vice President (Commercial)
<b>Shri Anupam Dutta</b>	Sr. Vice President (Technical)
<b>Shri S. K. Patodia</b>	Vice President (Commercial)
<b>Shri Praveen Mehta</b>	Vice President (Sales)
<b>Shri P. K. Mitra</b>	Vice President (Engineering)
<b>Shri Arindam Gupta</b>	Vice President (Production)
<b>Shri S. C. Sood</b>	Vice President (Commercial)
<b>Shri Kanti Chaudhury</b>	Vice President (Production)

### RAYON & TRANSPARENT PAPER SECTIONS

<b>Shri J. D. Palod</b>	Sr. President
<b>Shri J. P. Bohra</b>	Joint President (Finance)
<b>Shri S. C. Tripathy</b>	Sr. Vice President (Technical)
<b>Shri S. S. Singhania</b>	Vice President (Engineering)
<b>Shri A. K. Kejriwal</b>	Vice President (Marketing)

### HINDUSTHAN HEAVY CHEMICALS SECTION

<b>Shri M. L. Bhattacharya</b>	Sr. Vice President (Works)
<b>Shri H. R. Dudhoria</b>	Vice President (Commercial)

### SPUN PIPES SECTION

<b>Shri Sadhan Sarkar</b>	Dy. General Manager
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## PERFORMANCE HIGHLIGHTS

The following highlights for the year under review are given in comparison to immediate previous year.

Gross Sales have risen from Rs. 3440.32 Crore to Rs. 4292.07 Crore.

Profit after tax has slightly decreased from Rs. 383.35 Crore to Rs. 378.74 Crore.

Earning per share has slightly decreased from Rs. 83.80 to Rs. 82.80.

Dividend per share is maintained at last years' rate i.e. Rs. 5.50 per share.

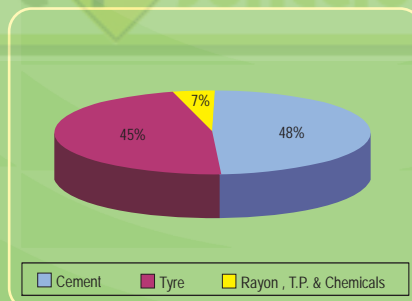
Increased network from Rs. 981.92 crore to Rs. 1330.10 crore.

*The charts below show the current year's segment-wise sales and previous five years position.*

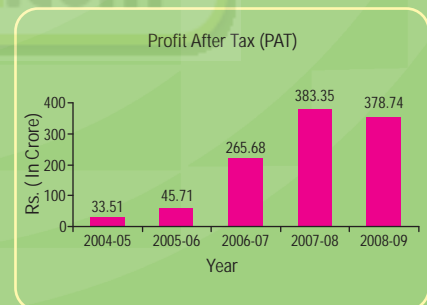
**Increased Sales**



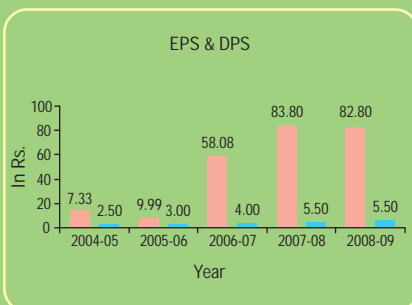
**Segment wise Sales**



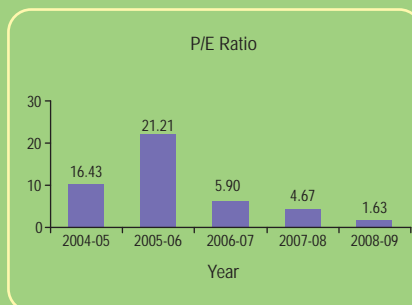
**Consistent Profitability**



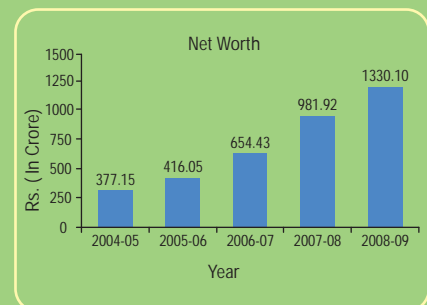
**Consistent Earning Per Share (EPS) & Dividend Per Share (DPS)**



**Price Earning Ratio (P/E Ratio) Pattern**



**Increased Net Worth**





## NEW TYRE PLANT AT HARI DWAR IN UTTARAKHAND

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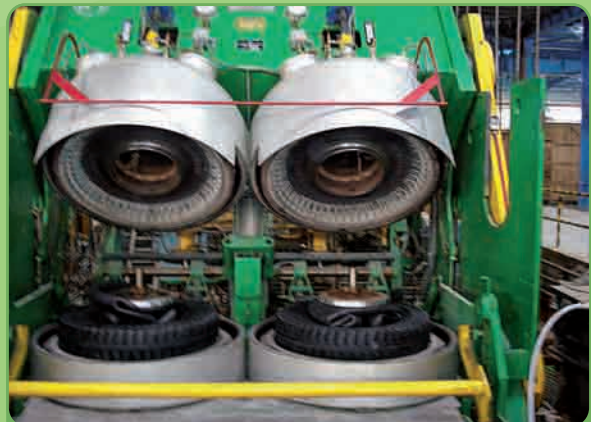
**Main Gate**



**View of Main Plant along with  
Piping Bridge**



**Green Tyre Assembly in Progress**



**Green Tyre Curing in Progress**

## AWARD



Shri K. C. Jain, Sr. President Cement Sections & Manager of the Company, receiving the FAPCCI Award for "**Excellence in Rural Development**" for the year 2006-07 from the Hon'ble Chief Minister of Andhra Pradesh, Dr. Y. S. Raja Sekhara Reddy, on 04.12.2008.