

98<sup>th</sup>  
Annual Report  
& Accounts 2017







## CHAIRMAN'S MESSAGE

**T**he state of the global economy no longer gives reason for cheer. Growth has moderated both in the advanced economies as well as in most emerging economies. An environment of protectionism together with a xenophobic sentiment seems to be sweeping many of the advanced economies, including, inexplicably, the United States. This gives rise to some concern. More so, because the US economy seems to be on a recovery mode.

Against the above difficult background, the Indian economy, I am pleased to state, is well poised. The "Make in India" theme is an excellent model. Several bold measures undertaken by the Central Government during the last Financial Year, including the proposed implementation of the Goods and Service Tax, will be beneficial for the economy as one goes along. However, in a world economy punctuated with so many growth fault lines, the country would need to aggressively reinforce niches for itself in the world market.

We, at Kesoram Industries Limited, spent considerable time in the past year enhancing directional clarity in our businesses through prioritising and re-emphasising the goal of business sustainability.

To this end, I must compliment the Tyre Business on its endeavours at realigning manufacturing capabilities in a situation arising out of our disposal of the Laksar tyre manufacturing facility during the year. The Cement Business faced intense competitive pressures with conviction. The Rayon Business which was spun off as a wholly-owned subsidiary during the year has tasted some success in developing products for discerning customers. This should stand the Business in good stead in the future.

I thank you all for the faith reposed in the Company. I value your continued support.

**Basant Kumar Birla**



## BOARD OF DIRECTORS

**Basant Kumar Birla, *Chairman***

DIN 00055856

**Manjushree Khaitan, *Executive Vice Chairperson***

DIN 00055898

**Amitabha Ghosh**

DIN 00055962

**Vinay Sah**

DIN 02425847

**Lee Seow Chuan**

DIN 02696217

**Kashi Prasad Khandelwal**

DIN 00748523

**Sudip Banerjee**

DIN 05245757

**Tridib Kumar Das**

*Whole-time Director & CFO*

DIN 01063824

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**Gautam Ganguli**

*Company Secretary*

## Registered Office

8th Floor, Birla Building  
9/1, R.N. Mukherjee Road  
Kolkata – 700 001  
Phone No : +91 33 22435453 / 22429454 / 22135121  
Fax No : +91 33 22109455, CIN: L17119WB1919PLC003429  
Website : [www.kesocorp.com](http://www.kesocorp.com); E-mail: [corporate@kesoram.net](mailto:corporate@kesoram.net)

## Bankers

Axis Bank Ltd.  
Bank of Baroda  
HDFC Bank Ltd.  
ICICI Bank Ltd.  
IndusInd Bank Ltd.  
Kotak Mahindra Bank Ltd.  
Punjab National Bank Ltd.  
State Bank of Hyderabad  
State Bank of India – Lead Bank  
Standard Chartered Bank  
The South Indian Bank Ltd.  
YES Bank Ltd.  
Lakshmi Vilas Bank Ltd.

## Auditors

Messrs. Price Waterhouse

## Share Transfer Agent

MCS Share Transfer Agent Limited,  
(Unit: Kesoram Industries Ltd.)  
12/1/5, Manoharpukur Road,  
Kolkata – 700 026  
Phone No : +91 33 40724051-54  
Fax No : +91 33 40724050  
E-Mail : [mcssta@rediffmail.com](mailto:mcssta@rediffmail.com)

Members seeking any information on the Annual Report & Accounts are requested to send their queries to the Company at least ten days before the date of the Meeting. Members are requested to bring their copies of Annual Report to the Meeting.

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# NOTICE

## TO THE MEMBERS

NOTICE is hereby given that the **Ninety-eighth Annual General Meeting** of **KESORAM INDUSTRIES LIMITED** will be held at 11.00 A.M. on Thursday, 29<sup>th</sup> day of June, 2017 at "Kala-Kunj" (within the premises of Kala Mandir), 48, Shakespeare Sarani, Kolkata – 700 017, to transact the following business:

### General Business:

1. To consider and adopt (a) the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2017 and the Reports of the Board of Directors and Auditors thereon; and (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2017 and the Report of the Auditors thereon.
2. To appoint a Director in place of Vinay Sah (DIN 02425847), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and, in this regard to consider and, if thought fit, to pass the following as an Ordinary Resolution:

"RESOLVED THAT Messrs. Deloitte Haskins & Sells, Chartered Accountants (Firm Regn. No. 302009E) Bengal Intelligent Park, Building Alpha, 3<sup>rd</sup> Floor, Block EP & GP, Sector V, Salt Lake Electronic Complex, Kolkata – 700 091, West Bengal, be and is hereby appointed Auditors of the Company, to hold office from the conclusion of the Ninety-eighth Annual General Meeting, for a term of five years, on such remuneration plus taxes and actual out of pocket expenses as may be fixed by the Board of Directors of the Company, from time to time."

### Special Business:

To consider and if thought fit, to pass with or without modification(s), the following as an Ordinary Resolution:

4. "RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Mani & Co., Cost Accountants, Kolkata, the Company's Cost Auditors be paid a remuneration of ₹5.02 lakhs (excluding applicable Service Taxes and reimbursement of travelling and other out of pocket expenses) for conducting the audit of the Company's cost accounting records for the Financial Year 2016–17 be and is hereby ratified and confirmed."

To consider and if thought fit, to pass with or without modification(s), the following as Special Resolutions:

5. "RESOLVED THAT pursuant to Sections 196, 197 and Schedule V of the Companies Act, 2013 ("the Act") and the Rules made thereunder and subject to such approvals, if any, as may be necessary, the consent of the Company be and is hereby accorded to the payment of remuneration to Manjushree Khaitan (DIN 00055898), a Whole-time Director, for the period commencing from 1<sup>st</sup> April, 2017 to 4<sup>th</sup> February, 2018, both days inclusive, upon the terms of remuneration set out herein below:
  - (a) Basic Salary & Allowances: Not exceeding ₹23.50 lakhs per month as may be decided by the Board or any Committee thereof.
  - (b) Provident Fund and Gratuity as per Rules of the Company.
  - (c) No fees payable for attending Meetings of the Board or any Committee thereof, where so appointed.
  - (d) In the event of loss/inadequacy of profits during tenure, the above remuneration including perquisites shall be payable as minimum remuneration, subject to such approvals as may be necessary, including that of the Central Government, under Schedule V to the Act.
  - (e) Any expenditure wholly and exclusively incurred for the business of the Company will not be treated as remuneration. Such expenditure will either be paid by the Company directly or reimbursed to her."
6. "RESOLVED THAT pursuant to Section 196, 197 and Schedule V of the Companies Act, 2013 ("the Act") and the Rules made thereunder and subject to such approvals, if any, as may be necessary, the consent of the Company be and is hereby accorded to the re-appointment of Manjushree Khaitan (DIN 00055898) as a Whole-time Director of the Company, designated as Executive Vice Chairperson or such other designation as may be decided by the Board, for a further period of two years effective 5<sup>th</sup> February, 2018 and payment of remuneration to her for this period, upon the terms of remuneration set out herein below;



- (a) Basic Salary & Allowances: Not exceeding ₹23.50 lakhs per month as may be decided by the Board or any Committee thereof from time to time and as may be permissible under the provisions of Schedule V of the Companies Act, 2013.
- (b) Provident Fund and Gratuity as per Rules of the Company.
- (c) No Fees payable for attending Meetings of the Board or any Committee thereof, where so appointed.
- (d) In the event of loss/inadequacy of profits during tenure, the above remuneration, including perquisites shall be payable as minimum remuneration, subject to such approvals as may be necessary, including that of the Central Government, under Schedule V of the Act.
- (e) Any expenditure wholly and exclusively incurred for the business of the Company will not be treated as remuneration. Such expenditure will either be paid by the Company directly or reimbursed to her.

**RESOLVED FURTHER** that so long as Manjushree Khaitan functions as a Whole-time Director, she will not be subject to retirement by rotation:

**RESOLVED FURTHER** that the appointment shall be terminable:

- (a) by efflux of time; or
- (b) by one party serving the other a three months' written notice;

**RESOLVED FURTHER** that for the purpose of giving effect to the Resolution, the Board be and is hereby authorised to do all other acts, deeds and things as are or may be expedient and necessary."

7. **"RESOLVED THAT** pursuant to Section 196, 197 and Schedule V of the Companies Act, 2013 ("the Act") and the Rules made thereunder and subject to such approvals, if any, as may be necessary, consent of the Company be and is hereby accorded to the appointment of Tridib Kumar Das (DIN 01063824) as a Whole-time Director of the Company, for a period of three years effective 1<sup>st</sup> April, 2017 and payment of remuneration to him for this period, upon the terms of remuneration set out herein below;

- (a) Basic Salary & Allowances: Not exceeding ₹50.00 lakhs per month as may be decided by the Board or any Committee thereof from time to time and as may be permissible under the provisions of Schedule V of the Companies Act, 2013.
- (b) Provident Fund and Gratuity as per Rules of the Company.
- (c) No Fees payable for attending Meetings of the Board or any Committee thereof, where so appointed.
- (d) In the event of loss/inadequacy of profits during tenure, the above remuneration, including perquisites shall be payable as minimum remuneration, subject to such approvals as may be necessary, under Schedule V of the Act.
- (e) Any expenditure wholly and exclusively incurred for the business of the Company will not be treated as remuneration. Such expenditure will either be paid by the Company directly or reimbursed to him.

**RESOLVED FURTHER** that so long as Tridib Kumar Das functions as a Whole-time Director, he will not be subject to retirement by rotation:

**RESOLVED FURTHER** that the appointment shall be terminable:

- (a) by efflux of time; or
- (b) by one party serving the other a three months' written notice;

**RESOLVED FURTHER** that for the purpose of giving effect to the Resolution, the Board be and is hereby authorised to do all other acts, deeds and things as are or may be expedient and necessary."

**Registered Office:**  
9/1, R. N. Mukherjee Road,  
Kolkata - 700 001  
28<sup>th</sup> April, 2017

**By Order of the Board**

**Gautam Ganguli**  
*Company Secretary*

## Notes:

1. A Member entitled to attend and vote at the above Meeting is entitled to appoint one or more proxies to attend and vote instead of himself / herself and a proxy need not be a Member of the Company. The Instrument of Proxy must be lodged with the Company not less than 48 hours before the Meeting.

A person can act as a Proxy on behalf of Members not exceeding fifty and holding in aggregate shares not more than 10 per cent of the total Share Capital of the Company.

Proxies submitted on behalf of companies must be supported by an appropriate Resolution/Authority, as applicable.

2. The Register of Members shall remain closed from 23<sup>rd</sup> June, 2017 to 29<sup>th</sup> June, 2017 (*both days inclusive*).
3. The relevant Statement, pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") in respect of the items of Special Business is annexed hereto.
4. As per Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing the facility of casting votes through the electronic voting system from a place other than the venue of the Meeting ("remote e-Voting") under an arrangement with The National Securities Depository Limited ("NSDL") as specified more fully in the instructions hereunder:
  - (a) The items of business set out in the attached Notice may, however, be transacted also through the electronic voting system as an alternative mode of voting provided that once a vote on a Resolution is cast, a Member shall not be allowed to change it subsequently or cast the vote again.
  - (b) The facility for voting through Ballot Paper shall also be made available at the Meeting venue and Members attending the Meeting, who have not already cast their vote by remote e-Voting, shall be permitted to exercise their rights at the Meeting.
  - (c) The Members who have cast their vote by remote e-Voting prior to the Meeting may attend the Meeting but shall not be entitled to cast their vote again.
5. The Notice of Meeting will also be available on the Company's website [www.kesocorp.com](http://www.kesocorp.com) and the website of The National Securities Depository Limited ("NSDL") at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
6. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the "cut-off date" i.e. 22<sup>nd</sup> June, 2017, shall be entitled to avail the facility of either remote e-Voting or voting at the Annual General Meeting ("AGM") through Ballot Paper. A person who is not a Member on the cut-off date should treat this Notice for information purposes only.
7. Members holding shares in physical form are requested to notify change of address, if any, along with a copy of any one of the address proofs i.e. Voter Identity Card, Aadhaar Card, Electric/Telephone Bill, Driving License, Passport or Bank Statement to the Share Department of the Company / Registrar and Share Transfer Agent and, in case the shares are held in dematerialised form, then this information should be passed on to the respective Depository Participant(s) and not to the Share Department of the Company / Registrar and Share Transfer Agent.
8. In case the mailing address mentioned on the envelope of this Annual Report is either without Pin Code or with incorrect Pin Code, Members are urged to advise the correct Pin Code to the Share Department of the Company / Registrar and Share Transfer Agent or the respective Depository Participant(s), as the case may be, immediately, for speedier delivery in future.