

KALYANI STEELS

C.I.N. : L27104MH1973PLC016350

KSL:SEC:

April 12, 2024

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Fort, Mumbai – 400 001
Scrip Code : 500235

National Stock Exchange of India Limited

Exchange Plaza,
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051
Scrip Symbol : KSL

Dear Sir / Madam,

Sub. : Update regarding Subsidiary

Ref. : Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

We refer to our earlier letter dated March 29, 2024, informing that DGM Realities Private Limited (DGM), became a subsidiary of the Company on March 29, 2024.

Further to that, please be informed that the Second Tranche of 266,000 Fully Convertible Debentures (FCDs) of Rs.100/- each held by the Company in DGM, is converted into Equity Shares on April 12, 2024. Post conversion of Second Tranche, the holding of the Company in DGM stands increased to 2,966,000 Equity Shares representing 99.66%.

The details required under Regulation 30 of the Listing Regulations read with SEBI Circular No.SEBI/HO/CFD/CF-PoD-1/P/CIR/2023/123 dated July 13, 2023 are as under :

a)	Name of the target entity, details in brief such as size, turnover etc.	DGM Realities Private Limited (DGM) Authorised Capital : Rs.140 Million Paid up Capital : Rs.29.76 Million Turnover for FY 2022-23 : Rs.99.35 Million
b)	Whether the acquisition would fall within related party transaction(s) and whether the promoter / promoter group / group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”.	DGM is a related party of the Company. The conversion in Equity Shares is in the nature of Related Party Transactions. The conversion of FCDs is as per the terms of the issue and on an arm’s length basis. The Company and DGM are entities under common control of Promoter and Promoter Group.
c)	Industry to which the entity being acquired belongs	Real estate
d)	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	In the year 2015, the Company had invested in 13,196,000 FCDs of DGM. DGM had a land parcel of 25 acres near Bengaluru Mysuru Highway Corridor in its name, which was found suitable by the Company for its marketing network, business development, service and distribution center etc.



KALYANI
GROUP COMPANY

KALYANI STEELS LIMITED, CORPORATE BUILDING, 2ND FLOOR, MUNDHWA, PUNE - 411 036
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e)	Brief details of any governmental or regulatory approvals required for the acquisition	Not Applicable									
f)	Indicative time period for completion of the acquisition	The equity holding of 99.66% of the Company in DGM will increase in tranches, on the conversion of the balance FCDs as detailed below : <table border="1"><thead><tr><th>No. of FCDs of Rs.100/- each held by Company</th><th>Dates of Conversion</th><th>% holding of Company in DGM post conversion</th></tr></thead><tbody><tr><td>8,630,000</td><td>11-09-2025</td><td>99.91</td></tr><tr><td>1,600,000</td><td>30-11-2025</td><td>99.92</td></tr></tbody></table>	No. of FCDs of Rs.100/- each held by Company	Dates of Conversion	% holding of Company in DGM post conversion	8,630,000	11-09-2025	99.91	1,600,000	30-11-2025	99.92
No. of FCDs of Rs.100/- each held by Company	Dates of Conversion	% holding of Company in DGM post conversion									
8,630,000	11-09-2025	99.91									
1,600,000	30-11-2025	99.92									
g)	Consideration - whether cash consideration or share swap or any other form and details of the same	Cash (Conversion of FCDs into Equity Shares)									
h)	Cost of acquisition and / or the price at which the shares are acquired	As per the terms of allotment of the said FCDs, each FCD of Rs.100/- each is converted into 1 (One) Equity Share of Rs.10/- each of DGM, at a premium of Rs.90/- per share. As a result, Cost of acquisition of 266,000 Equity Shares is Rs.26.60 Million.									
i)	Percentage of shareholding / control acquired and / or number of shares acquired	Existing holding of 2,700,000 Equity Shares representing 99.63% stands increased to 2,966,000 Equity Shares representing 99.66% of paid-up capital of DGM									
j)	Brief background of the entity acquired in terms of products / line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (if brief)	DGM has been part of the Kalyani Group from its inception. DGM is engaged in purchasing for development or resale, land, buildings, houses, structures etc., manage and execute constructions, and project management / maintenance activities, having presence in India. Date of Incorporation : January 12, 2010 Turnover for the last three years : FY 2022-23 : Rs.99.35 Million FY 2021-22 : Rs.3.90 Million FY 2020-21 : Nil									

Thanking you,

Yours faithfully,
For Kalyani Steels Limited

Mrs.D.R. Puranik
Company Secretary



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