

KALYANI STEELS

CIN-L27104MH1973PLC016350

KSL:SEC:

April 28, 2023

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,

Sub. : Audited Financial Results for the quarter and year ended March 31, 2023

Please find enclosed herewith Audited Financial Results for the quarter and year ended March 31, 2023, duly approved and taken on record by the Board of Directors of the Company at their meeting held today i.e. on Friday, April 28, 2023, along with Auditor's Report (with Un-modified opinion).

Declaration by Mr.B.M. Maheshwari, Chief Financial Officer pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is also enclosed, along with the Results.

Kindly note that the Board of Directors have recommended Dividend of **Rs.10/- per Equity Share of Rs.5/- each (i.e. 200%)**, on the Equity Share Capital of the Company for the Financial Year 2022-23, subject to approval of the members.

The Board Meeting commenced at 10.30 a.m. and concluded at 12.15 Noon

Kindly take the aforesaid submissions on record.

Thanking you,

Yours faithfully,
For KALYANI STEELS LIMITED



MRS.D.R. PURANIK
COMPANY SECRETARY
E-mail : puranik@kalyanisteels.com



Encl. : as above



KALYANI
GROUP COMPANY

KALYANI STEELS LIMITED, CORPORATE BUILDING, 2ND FLOOR, MUNDHWA, PUNE 411036, INDIA.
PHONE : +91 20 66215000 FAX : +91 20 26821124



KALYANI STEELS LIMITED

CIN : L27104MH1973PLC016350

Regd. Office : Mundhwa, Pune 411 036.

Phone : 020 66215000 , Fax : 020 26821124

Website : www.kalyanisteels.com, E-mail - investor@kalyanisteels.com

**STATEMENT OF FINANCIAL RESULTS
FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023**

(₹ in Million)

Sr. No	Particulars	Quarter Ended			Year ended	
		March 31, 2023 Audited	December 31, 2022 Unaudited	March 31, 2022 Audited	March 31, 2023 Audited	March 31, 2022 Audited
1	Revenue from Operations	4,595.75	4,465.26	4,487.96	18,993.54	17,060.30
2	Other Income	148.06	161.75	96.77	564.04	463.56
3	Total Income (1+2)	4,743.81	4,627.01	4,584.73	19,557.58	17,523.86
4	Expenses					
	(a) Cost of Raw Materials Consumed	2,572.94	2,622.87	2,426.06	11,732.39	9,689.15
	(b) Purchases of stock-in-trade	14.05	57.21	121.48	142.46	278.59
	(c) Manufacturing Expense (See Note 4)	715.25	597.14	701.69	2,863.96	2,672.66
	(d) Changes in Inventories of finished goods, work-in-progress and stock-in-trade	(90.25)	146.87	(74.17)	(25.17)	(295.07)
	(e) Employee benefit expense	179.05	158.02	152.90	649.76	595.59
	(f) Finance Costs	85.74	86.11	31.12	280.96	132.09
	(g) Depreciation and amortisation expense	133.17	123.98	120.21	489.02	458.76
	(h) Other Expenses	185.93	315.45	193.66	1,173.60	733.73
	Total Expenses	3,795.88	4,107.65	3,672.95	17,306.98	14,265.50
5	Profit before exceptional items (3 - 4)	947.93	519.36	911.78	2,250.60	3,258.36
6	Exceptional Items	-	-	-	-	-
7	Profit before tax (5 + 6)	947.93	519.36	911.78	2,250.60	3,258.36
8	Tax Expenses					
	Current Tax	238.30	163.20	247.50	632.50	886.00
	Deferred Tax	12.38	(34.60)	(19.72)	(52.42)	(56.79)
	Taxation in respect of earlier years	0.25	-	-	0.25	-
	Total Tax Expenses	250.93	128.60	227.78	580.33	829.21
9	Profit after tax (7 - 8)	697.00	390.76	684.00	1,670.27	2,429.15
10	Other Comprehensive Income					
	A. Items that will not be reclassified to profit or loss	(10.06)	(1.17)	29.44	(13.58)	30.73
	B. Items that will be reclassified to profit or loss	-	-	-	-	-
	Total Other Comprehensive Income, net of tax	(10.06)	(1.17)	29.44	(13.58)	30.73
11	Total Comprehensive Income (9+10)	686.94	389.59	713.44	1,656.69	2,459.88
12	Paid-up Equity Share Capital (Face value ₹ 5/-each, PY ₹ 5/- each)	218.64	218.64	218.64	218.64	218.64
13	Other Equity				14,676.14	13,455.98
14	Earnings Per Share : (of ₹ 5/- each) Basic and diluted (not annualised)	15.96	8.96	15.67	38.26	55.65



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Statement of Assets and Liabilities

(₹ in Million)

Sr. No.	Particulars	As at March 31,2023	As at March 31,2022
		Audited	Audited
A	Assets :		
1	Non Current assets :		
	(a) Property, plant and equipment	5,991.24	3,580.03
	(b) Capital work-in-progress	178.68	1,543.26
	(c) Intangible assets	3.18	4.22
	(d) Financial assets		
	i) Investments in subsidiary and associate	-	-
	ii) Investments	1,461.26	1,474.60
	iii) Other financial assets	143.43	142.36
	(e) Income tax assets (net)	8.62	4.76
	(f) Other non- current assets	16.42	250.51
	Sub total - Non-current assets	7,802.83	6,999.74
2	Current assets :		
	(a) Inventories	3,239.01	2,176.11
	(b) Financial assets		
	i) Trade receivables	4,047.04	4,164.43
	ii) Cash and cash equivalents	105.07	221.48
	iii) Bank Balances other than (ii) above	7,389.74	9,520.73
	iv) Other financial assets	292.78	231.49
	(c) Other current assets	628.93	248.34
	Sub total - Current assets	15,702.57	16,562.58
	Total assets	23,505.40	23,562.32
B	Equity and Liabilities :		
1	Equity :		
	(a) Equity share capital	218.64	218.64
	(b) Other equity		
	i) Reserves and surplus	14,596.53	13,361.07
	ii) Other reserves	79.61	94.91
	Sub total - Equity	14,894.78	13,674.62
2	Liabilities :		
	Non current liabilities :		
	(a) Financial Liabilities :		
	(i) Borrowings	1,849.88	1,895.18
	(b) Provisions	50.59	48.82
	(c) Deferred tax liabilities (net)	162.60	214.44
	(d) Other non current liabilities	38.41	63.43
	Sub total - Non-current liabilities	2,101.48	2,221.87
	Current Liabilities :		
	(a) Financial Liabilities :		
	(i) Borrowings	3,213.56	2,487.15
	(ii) Trade payables		
	- total outstanding dues of micro enterprises and small enterprises	101.02	120.87
	- total outstanding dues of creditors other than micro enterprises and small enterprises	2,516.66	4,434.34
	(iii) Other financial liabilities	412.88	387.76
	(b) Provisions	18.60	20.86
	(c) Other current liabilities	211.12	180.52
	(d) Current tax liabilities (net)	35.30	34.33
	Sub total - current liabilities	6,509.14	7,665.83
	Total - Equity and liabilities	23,505.40	23,562.32



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Statement of Cash Flow

(₹ in Million)

Sr. No.	Particulars	Year ended	
		As at March 31,2023	As at March 31,2022
		Audited	Audited
A	Cash flows from operating activities		
	Profit before tax	2,250.60	3,258.36
	Adjustments to reconcile profit before tax to net cash flows		
	Depreciation and amortisation	489.02	458.76
	Unrealised foreign exchange loss / (gain) / , net	179.14	11.27
	Interest expense	280.96	132.09
	Profit on sale of property, plant and equipment	(0.33)	-
	Profit on sale of Investment	(4.04)	(1.37)
	Interest from deposits and loans	(551.37)	(458.55)
	Provision written back	(11.59)	(92.50)
	Fair value loss on investments measured at FVTPL	(1.97)	(1.79)
	Cash Generated from Operations before working capital changes	2,630.42	3,306.27
	Adjustments for changes in working capital		
	(Increase) / Decrease in inventories	(1,062.90)	(986.66)
	(Increase) / Decrease in trade receivables	117.39	(1,673.47)
	(Increase) / Decrease in other assets / other financial assets	(400.74)	(102.25)
	(Increase) / Decrease in loans	-	700.00
	Increase / (Decrease) in provisions	1.81	12.20
	Increase / (Decrease) in trade payables	(1,944.84)	2,303.02
	Increase / (Decrease) in other financial liabilities	31.60	(6.57)
	Increase / (Decrease) in other current liabilities	30.60	(28.94)
	Increase / (Decrease) in other non current liabilities	(25.02)	(10.51)
	Cash generated from operations	(621.68)	3,513.09
	Taxes paid (net of refunds)	(635.63)	(883.28)
	Net cash flows from operating activities (A)	(1,257.31)	2,629.81
B	Cash flows from investing activities		
	Purchase of property, plant and equipment	(1,114.23)	(1,707.01)
	Sale of property, plant and equipment	0.33	-
	(Purchase) / Sale of investments from Bank FDs	2,131.47	(3,374.92)
	Proceeds from sale of Investment in Mutual Fund	8,266.21	4,916.12
	Purchase of Investment in Mutual Fund	(8,262.17)	(4,914.75)
	Interest received	509.77	381.27
	Net cash flows from investing activities (B)	1,531.38	(4,699.29)
C	Cash flows from financing activities		
	Proceeds from borrowings including Bill Discounting	11,434.63	10,149.61
	Repayment of borrowings including Bill Discounting	(10,913.79)	(7,472.54)
	Interest paid	(474.79)	(172.05)
	Dividend paid	(436.53)	(327.41)
	Net cash flows from financing activities (C)	(390.48)	2,177.61
	Net increase / (decrease) in cash and cash equivalents (A + B + C)	(116.41)	108.13
	Add : Cash and cash equivalents at the beginning of the year	221.48	113.35
	Cash and cash equivalents at the end of the year	105.07	221.48



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Notes :

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on April 28, 2023.
- 2 The Board of Directors, at its meeting held on April 28,2023 has recommended dividend of 10 ₹/- per equity share of ₹ 5/- each (200%)
- 3 The above results include the Company's proportionate share of income and expenditure in joint operation, namely Hospet Steels Limited.
- 4 Manufacturing expenses include stores and spares consumed, Job work manufacturing charges, power and fuel, repairs etc.
- 5 Lord Ganesha Minerals Private Limited (LGMPL), sole subsidiary of the Company, had made voluntary application on February 9, 2022 to the Registrar of Companies (ROC), Pune (Maharashtra), for striking off its name from the Register of Companies, pursuant to the provisions of Section 248 of the Companies Act, 2013. The final order of the ROC approving the application for strike-off of the name was approved on April 26, 2022. Consequently, preparation of consolidated financial results is not applicable for the year ended March 31, 2023.
- 6 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Indian Parliament approval and Presidential assent in September,2020. The Code has been published in the Gazette of India and subsequently on November 13,2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period, the Code becomes effective.
- 7 The Company manufactures Forging and Engineering quality carbon and alloy steels which is a single segment in accordance with Ind AS 108 - "Operating segment" notified pursuant to Companies (Indian Accounting Standards) Rules, 2015.
- 8 The financial results have been prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act,2013 (the Act), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI).
- 9 Previous quarter / year end figures have been regrouped and reclassified wherever necessary to make them comparable with current period.



For KALYANI STEELS LIMITED


R.K. Goyal
Managing Director

Date : April 28, 2023

Place : Pune

KIRTANE & PANDIT LLP

Independent Auditor's Report on Financial Results of Kalyani Steels Limited for quarter and year ended 31 March 2023 (Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended))

To
The Board of Directors
Kalyani Steels Limited
Mundhwa, Pune - 411 036
Maharashtra, India

Report on the audit of the Ind AS Financial Results

Opinion

We have audited the accompanying financial results of **Kalyani Steels Limited** (hereinafter referred to as the "Company") for the quarter and year ended 31 March 2023, attached herewith, (in which are included financial statements/financial results/financial information of one joint operation) being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate audited financial statements/financial results/financial information of one joint operation, the aforesaid annual financial results:

- i. are presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter and year ended 31 March 2023.



Kirtane & Pandit LLP
Chartered Accountants

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Pune | Mumbai | Nashik | Bengaluru | Hyderabad | New Delhi

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www.kirtanepandit.com | Email : kpca@kirtanepandit.com

Independent Auditor's Report on Financial Results of Kalyani Steels Limited for Quarter and Year ended March 31, 2023

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, along with the consideration of report of the other auditor referred to in sub paragraph no. '3' of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Board of Directors' Responsibilities for the Financial Results

These Financial Results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these Financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company and statement of assets & liabilities and the statement of cash flows in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial results, including the disclosures, and whether the annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditor's Report on Financial Results of Kalyani Steels Limited for Quarter and Year ended March 31, 2023

- For the joint operation included in the annual financial results, which has been audited by the other auditor, such other auditor remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in sub paragraph no. '3' of the "Other Matters" paragraph in this audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters:

1. The financial results of the Company for the quarter ended 31 March 2022 were audited by another firm of Chartered Accountants who expressed an unmodified conclusion, vide their report dated 12 May 2022.
2. The financial statements of the Company for the year ended 31 March 2022 were audited by another firm of Chartered Accountants under the Companies Act, 2013 who expressed an unmodified opinion, vide their separate reports on financial statements and financial results, both dated 12 May 2022.
3. We did not audit the financial information/results of one joint operation included in the financial results on proportionate basis whose results reflect total revenue of Rs. Nil, total comprehensive income/loss of Rs. Nil for the year ended 31 March 2023 and Company's share of expenditure of Rs. 881.32 million. The joint operation has total assets of Rs. 292.02 million as on 31 March 2023 and net cash (Inflow) of Rs. 21.78 million for the year ended 31 March 2023.

Our opinion on the annual financial results, in so far as it relates to the amounts and disclosures included in respect of this joint operation, is based solely on the report of such other auditor.

4. Lord Ganesha Minerals Private Limited (LGMPL), sole subsidiary of the Company, had made voluntary application on February 9, 2022 to the Registrar of Companies (ROC), Pune (Maharashtra), for striking off its name from the Register of Companies, pursuant to the

Independent Auditor's Report on Financial Results of Kalyani Steels Limited for Quarter and Year ended March 31, 2023

provisions of Section 248 of the Companies Act, 2013. The final order of the ROC approving the application for strike-off of the name was passed on 26 April 2022. Consequently, preparation of consolidated financial results is not applicable for the quarter and year ended 31 March 2023.

5. The quarterly financial results for the period ended 31 March 2023 are the derived figures between the audited figures in respect of the year ended 31 March 2023 and the published year-to-date figures up to 31 December 2022, being the date of the end of the third quarter of the current financial year, which were subjected to limited review as required under Listing Regulations.

Our opinion is not modified in respect of the above matters.

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No.105215W/W100057ss



Anand Jog

Partner

Membership No. 108177

UDIN - 23108177 BGWN JV 7359

Pune, April 28, 2023

KALYANI STEELS

CIN-L27104MH1973PLC016350

KSL:SEC:

April 28, 2023

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,

Subject : Declaration pursuant to Regulation 33(3)(d) of SEBI
(Listing Obligations and Disclosure Requirements)
Regulations, 2015

I, B.M. Maheshwari, Chief Financial Officer of Kalyani Steels Limited, hereby declare that the Statutory Auditors of the Company, Kirtane & Pandit LLP, Chartered Accountants (Firm Registration No.105215W / W100057) have issued an Audit Report with Unmodified Opinion on Audited Financial Results of the Company for the quarter and year ended March 31, 2023.

This Declaration is given in compliance to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Kindly take this declaration on your record.

Thanking you,

Yours faithfully,
For KALYANI STEELS LIMITED


B.M. MAHESHWARI
CHIEF FINANCIAL OFFICER



KALYANI
GROUP COMPANY

KALYANI STEELS LIMITED, CORPORATE BUILDING, 2ND FLOOR, MUNDHWA, PUNE 411036, INDIA.
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