

KALYANI STEELS

CIN-L27104MH1973PLC016350

KSL:SEC:

May 10, 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,

Sub. : Audited Financial Results (Standalone and Consolidated)
for the quarter and year ended March 31, 2024

Please find enclosed herewith Audited Financial Results (Standalone and Consolidated) for the quarter and year ended March 31, 2024, duly approved and taken on record by the Board of Directors of the Company at their meeting held today i.e. on Friday, May 10, 2024, 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 has 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 2023-24, subject to approval of the members.

The Board Meeting commenced at 11.30 a.m. and concluded at 1.35 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

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 AUDITED FINANCIAL RESULTS
FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

(₹ in Million)

Sr. No	Particulars	Standalone Results Quarter Ended			Standalone Results Year ended		Consolidated Results Year ended
		March 31, 2024 Audited	December 31, 2023 Unaudited	March 31, 2023 Audited	March 31, 2024 Audited	March 31, 2023 Audited	March 31, 2024 Audited
1	Revenue from Operations	5,028.26	4,797.55	4,595.75	19,594.92	18,993.54	19,594.92
2	Other Income	130.44	122.42	148.06	468.11	564.04	468.31
3	Total Income (1+2)	5,158.70	4,919.97	4,743.81	20,063.03	19,557.58	20,063.23
4	Expenses						
	(a) Cost of Raw Materials Consumed	2,629.62	2,715.02	2,572.94	11,044.41	11,732.39	11,044.41
	(b) Purchases of stock-in-trade	49.27	16.30	14.05	139.87	142.46	139.87
	(c) Manufacturing Expense (See Note 4)	768.41	789.88	715.25	3,010.68	2,863.96	3,010.68
	(d) Changes in Inventories of finished goods, work-in-progress and stock-in-trade	240.50	(108.81)	(90.25)	23.64	(25.17)	23.64
	(e) Employee benefit expense	199.94	202.42	179.05	783.64	649.76	783.64
	(f) Finance Costs	34.68	54.46	85.74	245.46	280.96	258.13
	(g) Depreciation and amortisation expense	152.57	147.66	133.17	607.51	489.02	607.51
	(h) Other Expenses	239.83	226.94	185.93	881.06	1,173.60	882.63
	Total Expenses	4,314.82	4,043.87	3,795.88	16,736.27	17,306.98	16,750.51
5	Profit before exceptional items (3 - 4)	843.88	876.10	947.93	3,326.76	2,250.60	3,312.72
6	Exceptional Items	-	-	-	-	-	18.31
7	Profit before tax (5 + 6)	843.88	876.10	947.93	3,326.76	2,250.60	3,331.03
8	Tax Expenses						
	Current Tax	204.50	192.50	238.30	807.00	632.50	808.50
	Deferred Tax	13.88	30.29	12.38	45.21	(52.42)	44.68
	Taxation in respect of earlier years	-	-	0.25	-	0.25	(10.00)
	Total Tax Expenses	218.38	222.79	250.93	852.21	580.33	843.18
9	Profit after tax (7 - 8)	625.50	653.31	697.00	2,474.55	1,670.27	2,487.85
10	Other Comprehensive Income						
	A. Items that will not be reclassified to profit or loss	(13.96)	(2.04)	(10.06)	(18.35)	(13.58)	(8.74)
	B. Items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total Other Comprehensive Income, net of tax	(13.96)	(2.04)	(10.06)	(18.35)	(13.58)	(8.74)
11	Total Comprehensive Income (9+10)	611.54	651.27	686.94	2,456.20	1,656.69	2,479.11
12	Profit attributable to :						
	Equity holders of parent	-	-	-	-	-	2,487.84
	Non-controlling interest	-	-	-	-	-	0.01
13	Other Comprehensive Income attributable to :						
	Equity holders of parent	-	-	-	-	-	(8.74)
	Non-controlling interest	-	-	-	-	-	-
14	Total Comprehensive Income attributable to :						
	Equity holders of parent	-	-	-	-	-	2,479.10
	Non-controlling interest	-	-	-	-	-	0.01
15	Paid-up Equity Share Capital (Face value ₹ 5/-each, PY ₹ 5/- each)	218.64	218.64	218.64	218.64	218.64	218.64
16	Other Equity				16,695.80	14,676.14	16,579.75
17	Earnings Per Share : (of ₹ 5/- each) Basic and diluted (not annualised)	14.33	14.97	15.96	56.69	38.26	56.99



Notes to the Financial Results:
Statement of Assets and Liabilities

(₹ in Million)

Sr. No.	Particulars	Standalone		Consolidated
		As at March 31,2024	As at March 31,2023	As at March 31,2024
		Audited	Audited	Audited
A	Assets :			
1	Non Current assets :			
	(a) Property, plant and equipment	7,335.72	5,991.24	7,335.72
	(b) Capital work-in-progress	3,811.54	178.68	3,811.54
	(c) Intangible assets	2.63	3.18	2.63
	(d) Financial assets			
	i) Equity investments held in subsidiary and associate	1,430.00	1,439.61	-
	ii) Investments	23.83	21.65	23.83
	iii) Other financial assets	266.89	143.43	266.89
	(e) Income tax assets (net)	8.62	8.62	8.62
	(f) Other non- current assets	557.15	16.42	557.15
	Sub total - Non-current assets	13,436.38	7,802.83	12,006.38
2	Current assets :			
	(a) Inventories	2,024.30	3,239.01	2,869.63
	(b) Financial assets			
	i) Investments	-	-	382.01
	ii) Trade receivables	4,208.42	4,047.04	4,208.42
	iii) Cash and cash equivalents	193.11	105.07	193.68
	iv) Bank Balances other than (iii) above	5,217.39	7,389.74	5,306.61
	v) Other financial assets	268.47	292.78	270.69
	(c) Other current assets	495.75	628.93	495.75
	Sub total - Current assets	12,407.44	15,702.57	13,726.79
	Total assets	25,843.82	23,505.40	25,733.17
B	Equity and Liabilities :			
1	Equity :			
	(a) Equity share capital	218.64	218.64	218.64
	(b) Other equity			
	i) Reserves and surplus	16,617.53	14,596.53	16,621.11
	ii) Other reserves	78.27	79.61	(41.36)
	Sub total - Equity	16,914.44	14,894.78	16,798.39
	(c) Non-controlling interests	-	-	1.06
	Total equity	16,914.44	14,894.78	16,799.45
2	Liabilities :			
	Non current liabilities :			
	(a) Financial Liabilities :			
	(i) Borrowings	833.74	1,644.34	833.74
	(b) Provisions	52.21	50.59	52.21
	(c) Deferred tax liabilities (net)	204.87	162.60	208.23
	(d) Other non current liabilities	25.47	38.41	25.47
	Sub total - Non-current liabilities	1,116.29	1,895.94	1,119.65
	Current Liabilities :			
	(a) Financial Liabilities :			
	(i) Borrowings	5,128.62	3,419.10	5,128.62
	(ii) Trade payables			
	- total outstanding dues of micro enterprises and small enterprises	159.39	101.02	159.39
	- total outstanding dues of creditors other than micro enterprises and small enterprises	1,905.19	2,516.66	1,905.21
	(iii) Other financial liabilities	336.11	412.88	336.11
	(b) Provisions	27.67	18.60	27.67
	(c) Other current liabilities	199.35	211.12	199.35
	(d) Current tax liabilities (net)	56.76	35.30	57.72
	Sub total - current liabilities	7,813.09	6,714.68	7,814.07
	Total - Equity and liabilities	25,843.82	23,505.40	25,733.17



Notes to the Financial Results:
Statement of Cash Flow

(₹ in Million)

Sr. No.	Particulars	Standalone		Consolidated
		Year ended		Year ended
		As at March 31,2024	As at March 31,2023	As at March 31,2024
		Audited	Audited	Audited
A	Cash flows from operating activities			
	Profit before tax	3,326.76	2,250.60	3,331.03
	Adjustments to reconcile profit before tax to net cash flows			
	Depreciation and amortisation	607.51	489.02	607.51
	Unrealised foreign exchange loss / (gain), net	20.21	179.14	20.21
	Interest expense	245.46	280.96	258.13
	Profit on sale of property, plant and equipment	-	(0.33)	-
	Profit on sale of Investment	(8.25)	(4.04)	(4.33)
	Interest from deposits and loans	(443.88)	(551.37)	(449.22)
	Provision written back	(36.53)	(11.59)	(36.53)
	Provision for doubtful debts (includes expected credit loss) (net)	1.23	-	1.23
	Fair value loss on investments measured at FVTPL	(2.18)	(1.97)	(0.59)
	Cash Generated from Operations before working capital changes	3,710.33	2,630.42	3,727.44
	Exceptional Items			
	Reversal for Diminution in value of investments	-	-	(18.31)
	Cash Generated from Operations before working capital changes	3,710.33	2,630.42	3,709.13
	Adjustments for changes in working capital			
	(Increase) / Decrease in inventories	1,214.71	(1,062.90)	1,214.71
	(Increase) / Decrease in trade receivables	(162.61)	117.39	(162.61)
	(Increase) / Decrease in other assets / other financial assets	(439.19)	(400.74)	(439.19)
	Increase / (Decrease) in provisions	(0.98)	1.81	(0.98)
	Increase / (Decrease) in trade payables	(513.65)	(1,944.84)	(520.13)
	Increase / (Decrease) in other financial liabilities	17.26	31.60	17.26
	Increase / (Decrease) in other current liabilities	(11.77)	30.60	(11.77)
	Increase / (Decrease) in other non current liabilities	(12.95)	(25.02)	(12.95)
	Cash generated from operations	3,801.15	(621.68)	3,793.47
	Taxes paid (net of refunds)	(785.54)	(635.63)	(778.10)
	Net cash flows from operating activities (A)	3,015.61	(1,257.31)	3,015.37
B	Cash flows from investing activities			
	Purchase of property, plant and equipment and intangible assets (including capital work-in-progress)	(5,599.24)	(1,114.23)	(5,599.24)
	Sale of property, plant and equipment	-	0.33	-
	(Increase) / Decrease in loans	-	-	376.22
	Proceeds / (Investments) in deposits, (net)	2,051.94	2,131.47	2,056.94
	Proceeds from sale of Investment in Mutual Fund	12,262.64	8,266.21	12,390.47
	Purchase of Investment in Mutual Fund	(12,254.39)	(8,262.17)	(12,554.39)
	Interest received	494.96	509.77	499.78
	Net cash flows from investing activities (B)	(3,044.09)	1,531.38	(2,830.22)
C	Cash flows from financing activities			
	Repayment of borrowings - Non-current (including current maturities)	(411.08)	-	(611.69)
	Proceeds from borrowings - Current (including Bill Discounting)	9,920.61	11,434.63	9,920.61
	Repayment of borrowings - Current (including Bill Discounting)	(8,633.75)	(10,913.79)	(8,633.75)
	Interest paid	(322.73)	(474.79)	(335.39)
	Dividend paid	(436.53)	(436.53)	(436.53)
	Net cash flows from financing activities (C)	116.52	(390.48)	(96.75)
	Net increase / (decrease) in cash and cash equivalents (A + B + C)	88.04	(116.41)	88.40
	Add : Cash and cash equivalents at the beginning of the year	105.07	221.48	105.28
	Cash and cash equivalents at the end of the year	193.11	105.07	193.68



Handwritten signature and initials.

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 May 10, 2024.
- 2 The Board of Directors, at its meeting held on May 10,2024 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 The Company has acquired all the Assets of Kamineni Steel & Power India Private Limited (in Liquidation), pursuant to the invitation for Sale of Assets through E-Auction platform on February 7,2024. Total consideration paid for the acquisition is Rs. 5,047.20 million (inclusive of taxes).
- 6 The Company had invested in fully convertible debentures (FCDs) of DGM Realties Private Limited (DGM) of face value of Rs. 1,319.60 Million. These FCDs were compulsorily convertible into equity shares of DGM in four tranches starting from March 29, 2024. The first tranche of FCDs, was converted on March 29, 2024 and the Company was allotted 2,700,000 Equity Shares of DGM representing 99.63% of the paid-up capital of DGM. The Company become Holding Company of DGM w.e.f. March 29, 2024. As the Company and DGM both are part of the Kalyani Group, the Company has accounted the transaction as common control business combination in accordance with Ind AS-103 "Business Combinations".
- 7 The Consolidated Financial Statements include results of subsidiary. The name, country of incorporation or residence , proportion of ownership interest and reporting date are as under :

Name of the Company	Country of Incorporation	Parent's ultimate holding as on March 31,2024	Financial year ends on
DGM Realties Private Limited	India	99.63%	March 31,2024

- 8 Other Income includes foreign exchange gain, net of Rs. 8.38 million for the year ended on March 31, 2024 where as foreign exchange loss, net of Rs. 339.92 million was reported under other expenses for the year ended on March 31,2023.
- 9 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.
- 10 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).
- 11 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 : May 10, 2024

Place : Pune

Independent Auditor's Report on Standalone Ind AS Financial Results of Kalyani Steels Limited 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 audit of the Standalone Ind AS Financial Results

Opinion

We have audited the accompanying Statement of Standalone Ind AS Financial Results of **Kalyani Steels Limited** ("Company") for the quarter and year ended 31 March 2024, 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 Standalone Ind AS Financial Results:

- i. are presented in accordance with the requirements of Regulation 33 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 2024.

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 Standalone Ind AS 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



Independent Auditor's Report on Standalone Ind AS Financial Results of Kalyani Steels Limited for Quarter and Year ended March 31, 2024

to in sub paragraph no. '1' of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Management's and Board of Directors' Responsibilities for the Standalone Ind AS Financial Results

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the Standalone Financial Statements. The Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ("Ind AS"), 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 Statement that give a true and fair view and are free from material misstatements, whether due to fraud or error.

In preparing the Standalone Ind AS 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 Standalone Ind AS Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 Standalone Ind AS Financial Results.

Independent Auditor's Report on Standalone Ind AS Financial Results of Kalyani Steels Limited for Quarter and Year ended March 31, 2024

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 Standalone Ind AS 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 Ind AS standalone 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 standalone Ind AS financial results, including the disclosures, and whether the standalone Ind AS financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- For the joint operation included in the standalone Ind AS 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. '1' of the "Other Matters" paragraph in this audit report.

Materiality is the magnitude of misstatements in the Standalone Ind AS Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Ind AS Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in

Independent Auditor's Report on Standalone Ind AS Financial Results of Kalyani Steels Limited for Quarter and Year ended March 31, 2024

evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Ind AS Financial Results.

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. We did not audit the financial information/results of one joint operation included in the Standalone Ind AS 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 2024 and Company's share of expenditure of Rs. 736.78 million for the year ended 31 March 2024. The joint operation has total assets of Rs. 289.83 million as on 31 March 2024 and net cash Inflow of Rs. 9.52 million for the year ended 31 March 2024.

Our opinion on the Standalone Ind AS 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.

2. The quarterly financial results for the period ended 31 March 2024 are the derived figures between the audited figures in respect of the year ended 31 March 2024 and the published year-to-date figures up to 31 December 2023, 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/W100057


Anand Jog

Partner

Membership No. 108177

UDIN – 24108177BKAK157748



Pune, May 10, 2024

Independent Auditor's Report on Consolidated Ind AS Financial Results of Kalyani Steels Limited 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 audit of the Consolidated Ind AS Financial Results

Opinion

We have audited the accompanying Statement of Consolidated Ind AS Financial Results of **Kalyani Steels Limited** ("Holding Company") and its subsidiary **DGM Realities Private Limited** (the Holding Company and its subsidiary together referred to as 'the Group') for the year ended March 31, 2024, 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 auditors on separate audited financial statements/financial results/financial information of the subsidiary and joint operation, the aforesaid financial results:

- i. Includes the results of subsidiary DGM Realities Private Limited;
- ii. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- iii. 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 consolidated net profit and other comprehensive loss and other financial information of the Group for the year ended March 31, 2024.

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 Consolidated Ind AS Financial Results* section of our report. We are independent of the Group and its joint operation 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



Independent Auditor's Report on Consolidated Ind AS Financial Results of Kalyani Steels Limited for the year ended March 31, 2024

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 auditors referred to in sub paragraph no. '1' of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Management's and Board of Directors' Responsibilities for the Consolidated Ind AS Financial Results

These consolidated Ind AS financial results, which are the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the Consolidated Annual Financial Statements. The Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the consolidated net profit and other comprehensive income and other financial information of the Group including its joint operation in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ("Ind AS"), 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 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its joint operation are responsible for the 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 consolidated Ind AS financial results that give a true and fair view and are free from material misstatements, whether due to fraud or error.

In preparing the Consolidated Ind AS Financial Results, the respective Management and Board of Directors are responsible for assessing each 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 respective Board of Directors of the companies included in the Group and its joint operation are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Results

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS 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

Independent Auditor's Report on Consolidated Ind AS Financial Results of Kalyani Steels Limited for the year ended March 31, 2024

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 Consolidated Ind AS 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 consolidated Ind AS 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, Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated Ind AS financial results 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 Ind AS 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 Group and its joint operation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial results, including the disclosures, and whether the consolidated Ind AS financial results represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditor's Report on Consolidated Ind AS Financial Results of Kalyani Steels Limited for the year ended March 31, 2024

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its joint operation to express an opinion on the consolidated Ind AS financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entity included in the consolidated annual financial results of which we are the independent auditor. For the other entities included in the consolidated Ind AS financial results, which have been audited by other auditors, such other auditors remain 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. '1' of the "Other Matters" paragraph in this audit report.

Materiality is the magnitude of misstatements in the consolidated Ind AS financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Ind AS Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Ind AS Financial Results.

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.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1 /44/2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable

Other Matters:

1. The consolidated Ind AS financial results include the audited financial results of one subsidiary whose financial results reflect total assets (before consolidation adjustments) of Rs. 1319.35 million as at March 31, 2024, total revenue (before consolidation adjustments) of Rs. 5.71 million and total net profit after tax (before consolidation adjustments) of Rs. 13.30 million. and net cash inflows (before consolidation adjustments) of Rs. 13.68 million for the year ended on that date, as considered in the consolidated Ind AS financial results, which have been audited by its respective independent auditors.

Independent Auditor's Report on Consolidated Ind AS Financial Results of Kalyani Steels Limited for the year ended March 31, 2024

2. We also did not audit the financial information/results of one joint operation included in the consolidated Ind AS financial results on proportionate basis whose results reflect total revenue of Rs. Nil, total comprehensive income/loss of Rs. Nil for the year ended March 31, 2024 and Company's share of expenditure of Rs. 736.78 million for the year ended March 31, 2024. The joint operation has total assets of Rs. 289.83 million as on March 31, 2024 and net cash inflow of Rs. 9.52 million for the year ended March 31, 2024.

Our opinion on the Consolidated Ind AS financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such other auditors and the procedures performed by us are as stated in paragraph above.

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

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No.105215W/W100057



Anand Jog

Partner

Membership No. 108177

UDIN - 24108177BKAKIT7091



Pune, May 10, 2024

KALYANI STEELS

CIN-L27104MH1973PLC016350

KSL:SEC:

May 10, 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,

Sub. : 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 and confirm that the Statutory Auditors of the Company, M/s. Kirtane and Pandit, LLP, Chartered Accountants, Pune (Firm Registration No.105215W / W100057) have issued an Audit Report with Unmodified Opinion on Audited Financial Results (Standalone and Consolidated) of the Company for the financial year ended March 31, 2024.

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

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.
PHONE : +91 20 66215000 FAX : +91 20 26821124