

# KALYANI STEELS

CIN-L27104MH1973PLC016350

KSL:SEC:

January 29, 2020

**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. : Statement of Unaudited Financial Results for  
the quarter and nine months ended December 31, 2019

Please find enclosed herewith Statement of Unaudited Financial Results (Standalone and Consolidated) for the quarter and nine months ended December 31, 2019, duly approved and taken on record by the Board of Directors of the Company at their meeting held today i.e. on January 29, 2020.

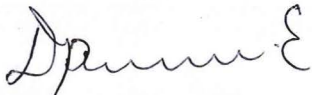
The "Limited Review Reports" issued by M/s. P.G. Bhagwat, Chartered Accountants, Pune, Statutory Auditors of the Company, with respect to the said results are also attached.

The Board Meeting commenced at 11.45 a.m. and concluded at 12.40 p.m. *Dp*

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 UNAUDITED STANDALONE FINANCIAL RESULTS  
FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2019**

(₹ in Million)

Sr. No.	Particulars	Quarter Ended			Nine months Ended		Year ended
		December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	March 31, 2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations	2,805.25	3,032.08	3,740.38	9,271.82	10,846.00	14,065.79
2	Other Income	70.48	38.33	123.24	156.96	42.81	132.05
3	<b>Total Income (1+2)</b>	<b>2,875.73</b>	<b>3,070.41</b>	<b>3,863.62</b>	<b>9,428.78</b>	<b>10,888.81</b>	<b>14,197.84</b>
4	<b>Expenses</b>						
	(a) Cost of Materials Consumed	1,265.06	1,523.06	2,286.55	4,494.13	6,306.17	8,002.76
	(b) Purchases of stock-in-trade	59.27	193.76	27.86	338.81	30.08	86.24
	(c) Manufacturing Expense ( See Note 3 )	530.67	609.63	787.17	1,768.66	2,244.34	2,866.09
	(d) Changes in Inventories of finished goods, work-in-progress and stock-in-trade	175.86	(70.13)	(116.50)	211.57	(206.23)	(203.89)
	(e) Employee benefit expense	135.12	145.70	136.22	414.62	405.94	535.52
	(f) Finance Costs	18.48	23.04	16.06	62.36	42.91	66.25
	(g) Depreciation and amortisation expense	111.79	105.73	95.67	312.30	280.73	383.97
	(h) Other Expenses	136.14	187.48	189.83	480.56	486.69	655.10
	<b>Total Expenses</b>	<b>2,432.39</b>	<b>2,718.27</b>	<b>3,422.86</b>	<b>8,083.01</b>	<b>9,590.63</b>	<b>12,392.04</b>
5	<b>Profit before exceptional items (3 - 4)</b>	<b>443.34</b>	<b>352.14</b>	<b>440.76</b>	<b>1,345.77</b>	<b>1,298.18</b>	<b>1,805.80</b>
6	<b>Exceptional Items</b>	-	-	63.14	-	63.14	119.21
7	<b>Profit before tax (5 + 6)</b>	<b>443.34</b>	<b>352.14</b>	<b>503.90</b>	<b>1,345.77</b>	<b>1,361.32</b>	<b>1,925.01</b>
8	<b>Tax Expenses</b>						
	Current Tax	121.30	43.70	170.00	360.00	478.50	635.50
	Deferred Tax	(1.61)	(143.16)	(12.15)	(155.56)	(29.08)	(30.97)
	<b>Total Tax Expenses ( See Note 6 )</b>	<b>119.69</b>	<b>(99.46)</b>	<b>157.85</b>	<b>204.44</b>	<b>449.42</b>	<b>604.53</b>
9	<b>Profit after tax (7 - 8)</b>	<b>323.65</b>	<b>451.60</b>	<b>346.05</b>	<b>1,141.33</b>	<b>911.90</b>	<b>1,320.48</b>
10	<b>Other Comprehensive Income, net of tax</b>						
	A. Items that will not be reclassified to profit or loss	(0.51)	(0.58)	(0.25)	(1.53)	(0.75)	1.05
	B. Items that will be reclassified to profit or loss	-	-	-	-	-	-
	<b>Total Other Comprehensive Income, net of tax</b>	<b>(0.51)</b>	<b>(0.58)</b>	<b>(0.25)</b>	<b>(1.53)</b>	<b>(0.75)</b>	<b>1.05</b>
11	<b>Total Comprehensive Income ( 9+10)</b>	<b>323.14</b>	<b>451.02</b>	<b>345.80</b>	<b>1,139.80</b>	<b>911.15</b>	<b>1,321.53</b>
12	Paid-up Equity Share Capital (Face value ₹.5/-each, PY ₹. 5/- each )	218.64	218.64	218.64	218.64	218.64	218.64
13	Other Equity	-	-	-	-	-	8,687.04
14	Earnings Per Share : ( of ₹ 5/- each ) Basic and diluted ( not annualised )	7.41	10.34	7.93	26.15	20.89	30.25



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**Other 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 January 29, 2020. The Statutory Auditors of the Company have carried out a "Limited Review" of the results for the quarter and nine months ended December 31, 2019
- 2 The above results include the Company's proportionate share of income and expenditure in joint operation, namely Hospet Steels Limited.
- 3 Manufacturing expenses include stores and spares consumed, Job work manufacturing charges, power and fuel, repairs etc.
- 4 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.
- 5 The financial statement has 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).
- 6 Tax expenses for the quarter and nine months ended December 31, 2019 reflect changes made vide Taxation Laws Amendment Ordinance 2019 as applicable to the Company. Therefore, effective tax rate of current quarter / nine months is not comparable to previous quarter / nine months / year ended.
- 7 Effective from April 1, 2019, the Company has adopted Ind AS 116 "Leases", however there has not been any material transitional impact on the financial results of the Company.
- 8 Previous quarter / nine months / year figures have been regrouped and reclassified wherever necessary to make them comparable with current period.

For KALYANI STEELS LIMITED



A handwritten signature in blue ink, appearing to read "Ravi" or similar.

R.K. Goyal  
Managing Director

Date : January 29, 2020

Place : Pune



**M/S P.G.BHAGWAT**  
**Chartered Accountants**

**Limited Review Report**  
To The Board of Directors of Kalyani Steels Limited, Pune

We have reviewed the accompanying statement of unaudited financial results of **Kalyani Steels Limited** (the "Company") for the quarter and nine months ended 31 December 2019. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors which includes one Joint Operation Company on proportionate basis (Hereinafter referred to as the "Statement"). Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Other matter**

We did not review the financial results of one joint operations included in the statement on proportionate basis, whose results reflect total revenues of Rs. Nil and Rs. Nil, total net profit / (loss) after tax of Rs. Nil and Rs. Nil and total comprehensive income/ loss of Rs. Nil and Rs. Nil for the quarter ended 31 December 2019 and for the period from 01 April 2019 to 31 December 2019 respectively. These financial results have been reviewed by other auditor whose report has been furnished to us by the Management and our opinion on the statement the extent they have been derived from such financial results is based solely on the report of other auditor.

Our conclusion is not modified in respect of this matter.

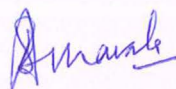
For M/s P.G Bhagwat,  
Chartered Accountants,  
Firm's Registration Number: 101118W

Sanjay Athavale  
Partner

Membership No. 83374

UDIN: 20083374AAAAA *AT1308*

Place: Pune



Date: 29 January 2020





**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 UNAUDITED CONSOLIDATED FINANCIAL RESULTS  
FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2019**

( ₹ in Million)

Sr. No.	Particulars	Quarter Ended			Nine months Ended		Year ended
		Dec 31, 2019	Sept 30, 2019	Dec 31, 2018	Dec 31, 2019	Dec 31, 2018	March 31, 2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations	2,805.25	3,032.08	3,740.38	9,271.82	10,846.00	14,065.79
2	Other Income	70.50	38.32	123.24	157.00	43.23	132.47
3	<b>Total Income (1+2)</b>	<b>2,875.75</b>	<b>3,070.40</b>	<b>3,863.62</b>	<b>9,428.82</b>	<b>10,889.23</b>	<b>14,198.26</b>
4	<b>Expenses</b>						
	( a ) Cost of Materials Consumed	1,265.06	1,523.06	2,286.55	4,494.13	6,306.17	8,002.76
	( b ) Purchases of stock-in-trade	59.27	193.76	27.86	338.81	30.08	86.24
	( c ) Manufacturing Expense ( See Note 4 )	530.67	609.63	787.17	1,768.66	2,244.34	2,866.09
	( d ) Changes in Inventories of finished goods, work-in-progress and stock-in-trade	175.86	(70.13)	(116.50)	211.57	(206.23)	(203.89)
	( e ) Employee benefit expense	135.12	145.70	136.22	414.62	405.98	535.56
	( f ) Finance Costs	20.34	24.90	17.75	67.94	47.98	73.01
	( g ) Depreciation and amortisation expense	111.85	105.78	95.73	312.47	280.93	384.23
	( h ) Other Expenses	137.01	187.91	189.87	483.20	486.73	655.15
	<b>Total Expenses</b>	<b>2,435.18</b>	<b>2,720.61</b>	<b>3,424.65</b>	<b>8,091.40</b>	<b>9,595.98</b>	<b>12,399.15</b>
5	<b>Profit before exceptional items (3 - 4)</b>	<b>440.57</b>	<b>349.79</b>	<b>438.97</b>	<b>1,337.42</b>	<b>1,293.25</b>	<b>1,799.11</b>
6	Exceptional Items	-	-	63.14	-	63.14	119.21
7	<b>Profit before tax (5 + 6)</b>	<b>440.57</b>	<b>349.79</b>	<b>502.11</b>	<b>1,337.42</b>	<b>1,356.39</b>	<b>1,918.32</b>
8	<b>Tax Expenses</b>						
	Current Tax	121.30	43.70	170.00	360.00	478.50	635.50
	Deferred Tax	(1.61)	(143.16)	(12.15)	(155.56)	(29.08)	(30.97)
	<b>Total Tax Expenses ( See Note 7 )</b>	<b>119.69</b>	<b>(99.46)</b>	<b>157.85</b>	<b>204.44</b>	<b>449.42</b>	<b>604.53</b>
9	<b>Profit after tax (7 - 8)</b>	<b>320.88</b>	<b>449.25</b>	<b>344.26</b>	<b>1,132.98</b>	<b>906.97</b>	<b>1,313.79</b>
10	<b>Other Comprehensive Income, net of tax</b>						
	A. Items that will not be reclassified to profit or loss	(0.51)	(0.58)	(0.25)	(1.53)	(0.75)	1.05
	B. Items that will be reclassified to profit or loss	-	-	-	-	-	-
	<b>Total Other Comprehensive Income, net of tax</b>	<b>(0.51)</b>	<b>(0.58)</b>	<b>(0.25)</b>	<b>(1.53)</b>	<b>(0.75)</b>	<b>1.05</b>
11	<b>Total Comprehensive Income (9+10)</b>	<b>320.37</b>	<b>448.67</b>	<b>344.01</b>	<b>1,131.45</b>	<b>906.22</b>	<b>1,314.84</b>
12	<b>Profit attributable to :</b>						
	Equity holders of parent	323.05	451.32	345.12	1,139.49	909.48	1,317.17
	Non-controlling interest	(2.17)	(2.07)	(0.86)	(6.51)	(2.51)	(3.38)
13	<b>Other Comprehensive Income attributable to :</b>						
	Equity holders of parent	(0.51)	(0.58)	(0.25)	(1.53)	(0.75)	1.05
	Non-controlling interest	-	-	-	-	-	-
14	<b>Total Comprehensive Income attributable to :</b>						
	Equity holders of parent	322.54	450.74	344.87	1,137.96	908.73	1,318.22
	Non-controlling interest	(2.17)	(2.07)	(0.86)	(6.51)	(2.51)	(3.38)
15	<b>Paid-up Equity Share Capital</b> (Face value ₹.5/-each, PY ₹. 5/- each )	218.64	218.64	218.64	218.64	218.64	218.64
16	<b>Other Equity</b>	-	-	-	-	-	8,683.38
17	<b>Earnings Per Share : ( of ₹ 5/- each )</b> Basic and diluted ( not annualised )	<b>7.40</b>	<b>10.34</b>	<b>7.90</b>	<b>26.10</b>	<b>20.83</b>	<b>30.17</b>



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**Other 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 January 29, 2020. The Statutory Auditors of the Company have carried out a "Limited Review" of the results for the quarter ended December 31, 2019.
- 2 The consolidated financial statements include results of subsidiary. The names, country of incorporation or residence , proportion of ownership interest and reporting dates are as under :

Name of the Company	Country of Incorporation	Parent's ultimate holding as on December 31, 2019	Financial Year ends on
Subsidiary :			
Lord Ganesha Minerals Private Limited	India	77.50%	March 31, 2019

- 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 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,
- 6 The financial results has 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).
- 7 Tax expenses for the quarter and nine months ended December 31,2019 reflect changes made vide Taxation Laws Amendment Ordinance 2019 as applicable to the Company. Therefore, effective tax rate of current quarter / nine months is not comparable to previous quarter / nine months / year ended.
- 8 Effective April 1, 2019, the Group has adopted Ind AS 116 "Leases", however there has not been any material transitional impact on the financial results of the Group.
- 9 The Consolidated numbers for the quarter and nine months ended December 31,2018, as reported in these unaudited consolidated financial results, have not been subjected to limited review or audit by the Statutory Auditors of the Company.
- 10 Previous quarter / year 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 : January 29, 2020**

**Place : Pune**





**M/S P.G.BHAGWAT**  
**Chartered Accountants**

**Independent Auditor's Review Report on consolidated unaudited quarterly and year to date financial results of Kalyani Steels Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To The Board of Directors of Kalyani Steels Limited, Pune**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Kalyani Steels Limited ("the Parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group"), and its share of the net (loss) after tax and total comprehensive (loss) of its subsidiary for the quarter and nine months ended 31 December 2019 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended which includes one Joint Operation Company consolidated on a proportionate basis with Parent company ("the Statement"). Attention is drawn to the fact that the consolidated figures for the corresponding quarter and nine months ended 31 December 2018, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.  
We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.
4. The Statement includes the results of the following entities:
  - a. One subsidiary: Lord Ganesha Minerals Private Limited
  - b. One joint operation: Hospet Steels Limited

The Group has one associate for which it has discontinued recognizing its share of further losses in accordance with the Ind AS and the same is not included in these consolidated financial results.





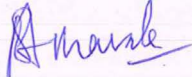
**M/S P.G.BHAGWAT**  
**Chartered Accountants**

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial results of one joint operations included in the standalone unaudited financial results of the entities included in the Group, whose results reflect total revenues of Rs. Nil and Rs. Nil, total net profit / (loss) after tax of Rs. Nil and Rs. Nil and total comprehensive income/ loss of Rs. Nil and Rs. Nil for the quarter ended 31 December 2019 and for the period from 01 April 2019 to 31 December 2019 respectively, as considered in the respective standalone unaudited financial results of the entities included in the Group. The interim financial results of joint operation have been reviewed by the other auditor whose reports have been furnished to us, and our conclusion in so far as it relates to the amounts and disclosures included in respect of joint operation, is based solely on the report of other auditors and the procedures performed by us as stated in paragraph 3 above.

We did not review the interim financial results of one subsidiary included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs. 0.02 million and Rs. 0.03 million, total net (loss) after tax of Rs. (9.63) million and Rs. (28.92) million and total comprehensive (loss) of Rs. (9.63) million and Rs. (28.92) million, for the quarter ended 31 December 2019 and for the period from 01 April 2019 to 31 December 2019, respectively, as considered in the consolidated unaudited financial results. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matters.

For M/s P.G Bhagwat,  
Chartered Accountants,  
Firm's Registration Number: 101118W

  
Sanjay Athavale  
Partner  
Membership No. 83374  
UDIN: 20083374AAAAAK 2430  
Place: Pune



Date: 29 January 2020