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KALYANI STEELS LIMITED
 Regd. Office : Mundwa, Pune 411 036.

UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER ENDED ON 31ST DECEMBER, 2011

(₹ in Lacs)

| Sr. No. | Particulars | Quarter Ended | | | Nine Months Ended | | Year Ended |
|---------|---|--|--|--|--|--|--|
| | | 31st Dec, 2011 Unaudited | 30th Sept, 2011 Unaudited | 31st Dec, 2010 Unaudited | 31st Dec, 2011 Unaudited | 31st Dec, 2010 Unaudited | 31st March, 2011 Audited |
| 1 | Sales and Income from Operations | 30,297.90 | 21,333.11 | 31,517.92 | 80,485.33 | 1,06,473.81 | 1,44,399.23 |
| | Less : Excise Duty | 6,366.32 | 2,923.90 | 5,127.79 | 14,966.61 | 15,151.25 | 20,769.78 |
| | a) Net Sales / Income from Operations | 23,931.58 | 18,409.21 | 26,390.13 | 74,518.72 | 91,322.56 | 1,23,629.45 |
| | b) Other Operating Income | 13.10 | 14.18 | 9.35 | 69.59 | 41.08 | 52.73 |
| | Total Income | 23,944.68 | 18,423.39 | 26,399.48 | 74,588.31 | 91,363.64 | 1,23,682.18 |
| 2 | Total Expenditure | | | | | | |
| | a) (Increase) / Decrease in stock in trade | (3,385.24) | 4,772.94 | (311.78) | 394.42 | (1,201.14) | (2,276.84) |
| | b) Consumption of Raw Materials | 19,948.43 | 10,097.75 | 16,164.55 | 50,181.83 | 48,335.19 | 69,144.12 |
| | c) Conversion Cost | 2,824.68 | 2,142.88 | 2,943.50 | 8,623.77 | 9,360.34 | 12,782.01 |
| | d) Purchase of traded goods | 810.20 | 335.08 | 3,176.37 | 5,889.62 | 19,278.13 | 24,261.75 |
| | e) Employees Cost | 838.49 | 728.58 | 700.28 | 2,405.78 | 2,067.70 | 2,983.68 |
| | f) Depreciation | 622.90 | 619.62 | 719.37 | 1,922.37 | 2,199.94 | 2,947.62 |
| | g) Other Expenses | 1,304.15 | 1,049.19 | 1,630.01 | 4,277.30 | 4,744.77 | 6,778.08 |
| | Total Expenditure | 22,963.61 | 19,746.04 | 25,022.50 | 73,697.29 | 84,984.93 | 1,16,590.42 |
| 3 | Profit from Operations before Other Income, Interest & Exceptional Items | 981.07 | (1,322.65) | 1,376.98 | 891.02 | 6,378.71 | 7,091.76 |
| 4 | Other Income | 18.01 | 544.71 | 574.35 | 875.68 | 893.99 | 1,575.97 |
| 5 | Profit before Interest & Exceptional Items | 999.08 | (777.94) | 1,951.33 | 1,766.70 | 7,272.70 | 8,667.73 |
| 6 | Interest | 492.42 | 531.14 | 406.16 | 1,521.15 | 1,347.20 | 1,809.02 |
| 7 | Profit/(Loss) after Interest but before exceptional items | 506.66 | (1,309.08) | 1,545.17 | 245.55 | 3,925.50 | 6,858.71 |
| 8 | Exceptional Items - Profit on sale of Investments | 548.00 | - | - | 548.00 | - | - |
| 9 | Profit / (Loss) from Ordinary Activities before tax | 1,054.66 | (1,309.08) | 1,545.17 | 793.55 | 5,925.50 | 6,858.71 |
| 10 | Tax Expenses : | 109.18 | (288.12) | 482.27 | (5.68) | 1,427.01 | 1,628.96 |
| 11 | Net Profit / (Loss) from Ordinary Activity after tax | 945.48 | (1,020.96) | 1,062.90 | 789.23 | 4,498.49 | 5,229.75 |
| 12 | Prior Period adjustments | - | - | - | - | - | 240.64 |
| 13 | Net Profit / (Loss) after Prior Period adjustments | 945.48 | (1,020.96) | 1,062.90 | 789.23 | 4,498.49 | 5,470.39 |
| 14 | Paid-up Equity Share Capital (excluding amount recd. on Forfeited Shares) (face value ₹.5/- each, PY ₹. 5/- each) | 2,182.65 | 2,182.65 | 2,182.65 | 2,182.65 | 2,182.65 | 2,182.65 |
| 15 | Earnings Per Share : (in ₹) Basic and diluted (not annualised) | 2.17 | (2.34) | 2.43 | 1.83 | 10.31 | 12.53 |
| 16 | Public shareholding - Number of Shares - Percentage of Shareholding | 1,75,26,704 40.15% | 1,75,26,704 40.15% | 1,75,26,704 40.15% | 1,75,26,704 40.15% | 1,75,26,704 40.15% | 1,75,26,704 40.15% |
| 17 | Promoters and Promoter Group Shareholding a) Pledged / Encumbered - Number of Shares - Percentage of shares (as a % of the total shareholding of promoter and promoter group) - Percentage of shares (as a % of the total share capital of the company) b) Non encumbered - Number of Shares - Percentage of shares (as a % of the total shareholding of promoter and promoter group) - Percentage of shares (as a % of the total share capital of the company) | - - - - 2,61,26,356 100.00% 59.85% | - - - - 2,61,26,356 100.00% 59.85% | - - - - 2,61,26,356 100.00% 59.85% | - - - - 2,61,26,356 100.00% 59.85% | - - - - 2,61,26,356 100.00% 59.85% | - - - - 2,61,26,385 100.00% 59.85% |

Notes :

- Sales for the quarter includes sale of goods traded in , aggregating ₹. 850.35 lacs, Previous Quarter ₹ 363.17 lacs , (Previous period ₹ 3,218.86 lacs) and for the nine months ended ₹ 6,122.17 lacs, (Previous period ₹ 20,024.43 lacs, Previous year ₹ 25,109.47 lacs).
- During the quarter , three investor complaints were received and redressed. There were no investor complaints pending for redressal as at the commencement and end of the quarter.
- The above results were reviewed by the Audit Committee, approved by the Board of Directors of the Company at its meeting held on 21st January, 2012 and have been subjected to a Limited Review by the auditors.
- Previous 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 : 21st January, 2012
 Place : Pune

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**SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE
QUARTER ENDED ON 31ST DECEMBER, 2011**

(₹ in Lacs)

| Sr.No. | Particulars | Quarter ended | | | Nine Months ended | | Year Ended | |
|----------------------------|--|-----------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--|
| | | 31st Dec, 2011 Unaudited | 30th Sept, 2011 Unaudited | 31st Dec, 2010 Unaudited | 31st Dec, 2011 Unaudited | 31st Dec, 2010 Unaudited | 31st March, 2011 Audited | |
| 1 | Segment Revenue | | | | | | | |
| | a) Steel and Rolled Products | 23,971.63 | 18,526.51 | 26,460.67 | 74,337.95 | 90,287.65 | 1,22,552.25 | |
| | b) Power Generation | 539.05 | 100.08 | 513.16 | 1,132.53 | 1,969.98 | 2,536.64 | |
| | Net Sales / Income from Operations | 24,510.68 | 18,626.59 | 26,973.83 | 75,470.48 | 92,257.63 | 1,25,088.89 | |
| 2 | Segment Results | | | | | | | |
| | Profit/(Loss) (before exceptional items & tax from each segment) | | | | | | | |
| | a) Steel and Rolled Products | 1,331.18 | (1,099.21) | 1,870.09 | 1,548.92 | 6,168.63 | 7,036.62 | |
| | b) Power Generation | 216.56 | (19.60) | 283.88 | 482.35 | 1,353.30 | 1,719.66 | |
| | Less : Interest | 1,547.74 | (1,118.81) | 2,153.97 | 2,031.27 | 7,521.93 | 8,756.28 | |
| | Other un-allocable expenditure net of un-allocable income | 492.42 | 531.14 | 406.16 | 1,521.15 | 1,347.20 | 1,809.02 | |
| Profit / (Loss) before Tax | 0.66 | (340.87) | 202.64 | (283.43) | 249.23 | 88.55 | | |
| | | 1,054.66 | (1,309.08) | 1,545.17 | 793.55 | 5,925.50 | 6,858.71 | |
| 3 | Capital Employed | | | | | | | |
| | a) Steel and Rolled Products | 58,280.90 | 53,384.37 | 53,436.73 | 58,280.90 | 53,436.73 | 56,548.87 | |
| | b) Power Generation | 2,015.69 | 2,201.89 | 2,341.13 | 2,015.69 | 2,341.13 | 2,277.82 | |
| | c) Unallocable assets less liabilities | 680.27 | 678.74 | 567.58 | 680.27 | 567.58 | (494.12) | |
| | Total | 60,976.86 | 56,265.00 | 56,345.44 | 60,976.86 | 56,345.44 | 58,332.57 | |

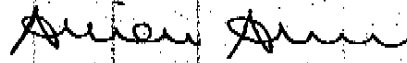
Sanjay
Sanjay

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The Board of Directors
Kalyani Steels Limited
Mundhwa
Pune - 411 036

1. We have reviewed the accompanying 'Unaudited Financial Results for the Quarter Ended 31st December 2011' in which are included the results for the nine months and quarter ended December 31, 2011 of Kalyani Steels Limited, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management but have neither been reviewed nor been audited by us. The Statement has been prepared by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialled by us for identification purposes. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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.
3. A review is limited primarily to inquiries of company personnel and analytical procedures 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.
4. We have only traced the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' in the Statement from the disclosures made by the Management and are, therefore, not expressing a review opinion thereon.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Dalal & Shah
Firm Registration Number: 102021W
Chartered Accountants



Anish Amin
Partner
Membership Number 40451

Pune
21st January 2012