KALYANI STEELS LIMITED

KALYANI

DRIVING INNOVATION

39TH ANNUAL REPORT
2011-2012

BOARD OF DIRECTORS

Mr. B. N. Kalyani
Chairman

Mr. Amit B. Kalyani

Mr. S. M. Kheny

Mr. S.S. Vaidya

Mr. B.B. Hattarki

Mr. M.U. Takale

Mr. Arun P. Pawar

Mr. C.G. Patankar

Mr. R.K. Goyal
Managing Director

COMPANY SECRETARY
Mrs.Deepti R. Puranik

REGISTERED OFFICE
Mundhwa, Pune - 411 036
Phone : +91-020-26715000 / 66215000
Fax : +91-020-26821124
Website: www.kalyanisteels.com
E-mail : investor@kalyanisteels.com

WORKS
Hospet Road, Ginigera
Tal. & Dist. Koppal
KARNATAKA - 583 228

AUDITORS
Dalal & Shah
Chartered Accountants
252, Veer Savarkar Marg,
Shivaji Park, Dadar,
Mumbai - 400 028

BANKERS
Bank of Baroda
Union Bank of India
Canara Bank
HDFC Bank Limited
State Bank of India
Axis Bank Limited
The Hongkong and Shanghai
Banking Corporation Limited

REGISTRAR & TRANSFER AGENTS
Link Intime India Private Limited
Block No.202, Akshay Complex,
2nd Floor, Off Dhole Patil Road,
Near Ganesh Mandir, Pune – 411 001

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39TH ANNUAL GENERAL MEETING

Day	:	Saturday
Date	:	28th July, 2012
Time	:	11.00 a.m. (I.S.T.)
Place	:	Registered Office, Kalyani Steels Limited, Mundhwa, Pune - 411 036

MANAGEMENT DISCUSSION AND ANALYSIS

The Board takes pleasure in presenting your Company's Thirty-Ninth Annual Report for the year 2011-12 along with the compliance report on Corporate Governance. This chapter on Management Discussion and Analysis forms a part of the compliance report on Corporate Governance.

Industry Structure and Development :

In 2011, the World crude steel production reached a level of 1,527 Million MTs and showed a growth of 6.8% over 2010. China remained the world's largest crude steel producer, followed by Japan and USA. India occupied the 4th position with a production level of 72.2 Million MTs.

India is now a reputed name in the world steel industry. The country's steel industry is catching pace and luring the steel majors from all over the world. Indian growth story, although driven by inherent demand potential and sustained economic growth, has many other facets also, which are typical, as in any other part of the globe.

On the demand side, Indian steel industry probably holds the top spot as the fundamentals for economic growth in India are better than most parts of the world. The potential in the Indian steel industry growth is also reflected in scope of increase in usage from the large gap between the current per capita consumption vis a vis global average.

The steel industry has gained the strength from strong sectors like infrastructure, construction and automobile. New innovations are also taking place in the Industry for cost reduction and production maximisation.

The Steel Industry has enough potential to grow at a much accelerated pace in the coming years due to continuity of the development projects around the world. Indian steel majors have taken lead in creating capacities and the result is visible now. Many more projects are underway and in next two to three years, they are likely to come on stream propelling India to number two spot globally.

Company Performance :

- Sales, Gross - ₹ 11,716 Million
- Profit before Taxation - ₹ 224 Million
- Profit after Taxation - ₹ 220 Million

Sales, Gross includes Trading Revenue of ₹ 619 Million and Manufacturing Revenue of ₹ 11,097 Million.

Manufacturing Revenue consists of sale of Rolled Products, As Cast Blooms, Misc. Sales and Conversion Charges received. The Company sold 150,707 tonnes of 'Rolled Products' aggregating ₹ 8,129 Million, 14,568 tonnes of 'As Cast Blooms' aggregating ₹ 693 Million. Misc. sales amounted to ₹ 322 Million and Conversion Charges received were ₹ 1,953 Million. The Manufacturing Turnover includes exports of 8,918 tonnes of steel, aggregating ₹ 497 Million.

Internal Control Systems and their adequacy :

Internal control systems have been a core focus for the Company. Internal audits and process checks are carried out regularly in important areas, which provide amongst other things reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of Company's assets.

The internal control system is supplemented by extensive independent internal audit by the professional firm. The top management and the Audit Committee of the Board review the findings and recommendations of the internal audit and ensure that the recommendations of the internal audit are implemented effectively.

Human Resources :

The Company considers the quality of its human resources to be its most important asset and focuses on attracting, motivating and retaining the best talent. Communication exercises are treated as continuous process to keep the employees informed of the challenges being faced by the Company and also motivate them to take up higher responsibilities, in tune with the requirements of the Company.

As on 31st March, 2012 the Company has 81 employees. 970 employees are on the role of Hospet Steels Limited, which is a Joint Venture Company formed with the specific purpose of managing and operating the composite steel making facility at Ginigera, in terms of Strategic Alliance between the Company and Mukand Limited.

Opportunities, Threats and Future Outlook :

There is no doubt that Indian Steel Industry has a bright future and the country has a potential to become leader in the steel sector. The axis of growth is gradually shifting from the developed economies to developing economies in Asia. India is well placed to meet future growing demand because of its high competitiveness.

The biggest opportunity before Indian Steel Industry is that there is enormous scope for increasing consumption of steel in all sectors in India. Secondly, Steel is yet to touch the lives of millions of people in India. Per capita consumption of steel in India is only 55 kg and has to go a long way to reach world average of 206 kg and consumption levels of around 324 kg in developed countries.

The Indian rural population is fairly unexposed to multi-faceted use of steel. No forceful steps are yet taken to penetrate this segment. Enhancing applications in rural areas assumes a much greater significance now for increasing per capita consumption of steel.

Policy initiatives taken by Government towards interest rate rationalisation shall be helpful for both economic growth as well as boosting the automotive and construction industry, which will have positive impact on the steel industry.

While one can remain confident of the growing demand, the principal deterrent to the steel industry's growth could be raw material availability.

The ban put by the Hon'ble Supreme Court Order on the mining activities in the iron ore rich state of Karnataka, due to increasing environmental degradation of the area and illegal mining has resulted into sharp decline in the iron ore production. Thereafter the Hon'ble Supreme Court has relaxed some of the restrictions on the ban by allowing state run NMDC to mine 1 (One) Million Tonne iron ore per month in Bellary Region and auctioning of stocks of iron ore, which are lying in the mines and stockyards. But this too is not sufficient to meet industry requirements.

Secondly, the country does not have adequate infrastructural facilities. The supply of iron ore, coking coal, the availability and price of imported coke and substitutes for steel, gaining strong footholds in the metal market are also some big challenges for the industry.

Cautionary Statement

Statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the industry - global or domestic or both, significant changes in political and economic environment in India, applicable statues, litigations, labour relations and interest costs.

REPORT ON CORPORATE GOVERNANCE

Kalyani Steels recognises that good Corporate Governance is a continuing exercise and is committed to pursue higher standards of Corporate Governance in the overall interest of all the stakeholders. The Company is in full compliance with the requirements under revised Clause 49 of the Listing Agreement with the Stock Exchanges.

This chapter of the report, plus the information given under 'Management Discussion and Analysis' and 'Shareholder Information' constitutes the compliance report of the Company on Corporate Governance during the year 2011-12.

1. BOARD LEVEL ISSUES

COMPOSITION OF THE BOARD :

As on 31st March, 2012, the Board of Directors of Kalyani Steels comprised nine Directors. The Board consists of the Chairman, who is Promoter Non-Executive Director, two Executive Directors and six Non-Executive Directors, of which five are Independent. Details are given in Table 1.

NUMBER OF BOARD MEETINGS :

During the year 2011-12, the Board of the Company met eight times on 20th April, 2011, 25th May, 2011, 29th July, 2011, 12th August, 2011, 25th October, 2011, 23rd December, 2011, 21st January, 2012 and 26th March, 2012. All the meetings were held in such manner that the gap between two consecutive meetings was not more than four months.

DIRECTORS' ATTENDANCE RECORD AND DIRECTORSHIPS :

Table 1: The composition of the Board, the category of Directors, their attendance record and the number of directorships :

Table - 1 - Details about Board of Directors of the Company

Name of the Director	Category	Particulars of Attendance			Number of Directorships and Committee Memberships / Chairmanships in Public Limited Companies		
		Number of Board Meetings		Last AGM	Directorships	Committee Memberships	Committee Chairmanships
		Held	Attended				
Mr.B.N. Kalyani Chairman	Promoter Non-Executive	8	8	Yes	15	3	2
Mr.Amit B. Kalyani	Non-Executive	8	8	Yes	14	5	—
Mr.S.M. Kheny	Non-Executive	8	8	Yes	12	2	1
Mr.S.S. Vaidya	Non-Executive	8	7	Yes	11	5	5
Mr.B.B. Hattarki	Non-Executive	8	7	Yes	9	3	4
Mr.M.U. Takale	Non-Executive	8	7	Yes	5	2	—
Mr.Arun P. Pawar *	Non-Executive	4	4	N.A.	1	—	—
Mr.C.G. Patankar Executive Director	Executive	8	7	Yes	7	4	—
Mr.R.K. Goyal Managing Director	Executive	8	8	Yes	3	1	—

* Co-opted as an Additional Director w.e.f. 25th October, 2011

As detailed in the table above, none of the Directors is a member of more than ten Board level Committees of public limited companies in which they are Directors or a Chairman of more than five such Committees.

BOARD PROCEDURE :

Information Supplied to the Board

Among others, information supplied to the Board includes :

- Annual operating plans and budgets, capital budgets and any update thereof
- Quarterly results for the Company
- Minutes of meetings of committees
- Details of Joint Venture / Collaboration Agreement
- Sale of material nature of investments, assets, which is not in normal course of business
- Non-Compliance of any regulatory, statutory nature or listing requirements etc. if any
- Materially important show cause, demand notices if any

The Board of the Company is presented with all the relevant information on various vital matters affecting the working of the Company as well as those matters, which require deliberation at the highest level. Board Members are given appropriate documents / detailed notes and information in advance of each Board and Committee Meeting.

DIRECTORS WITH MATERIALLY PECUNIARY OR BUSINESS RELATIONSHIP WITH THE COMPANY :

There has been no materially relevant pecuniary transactions or relationship between the Company and its non-executive and / or independent Directors for the year 2011-12.

AUDIT COMMITTEE :

As on 31st March, 2012, the Audit Committee of Kalyani Steels comprised four members, of which three are Independent Directors. All the members have accounting and finance management expertise. The Chairman of the Audit Committee is Mr.S.S. Vaidya. Mr.B.N. Kalyani, Mr.S.M. Kheny and Mr.B.B. Hattarki are the other members of the Committee.

The representatives of the Statutory Auditors, Internal Auditors and remaining Board Members are permanent invitees to the Audit Committee Meetings. The Secretary of the Company also acts as the Secretary of the Audit Committee.

During the year 2011-12 Audit Committee met on 20th April, 2011, 25th May, 2011, 29th July, 2011, 25th October, 2011 and 21st January, 2012. Particulars relating to the attendance at the Audit Committee meetings held during the year are given below :

Name of Director	Category	Number of Meetings held	Number of Meetings attended
Mr.S.S. Vaidya, Chairman	Independent	5	4
Mr.B.N. Kalyani	Promoter Non-Executive	5	5
Mr.S.M. Kheny	Independent	5	5
Mr.B.B. Hattarki	Independent	5	5

The functions of the Audit Committee of the Company include of the following :

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual / quarterly financial statements before submission to the board for approval.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Discussions with internal auditors on any significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussions with statutory auditors before audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults, if any, in the payment to the depositors, debentureholders, shareholders (in case of non payment of declared dividends) and creditors.
- Approval of appointment of CFO after assessing the qualifications, experience & background etc.
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.

The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews :

- Management discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
- Management letters / letters of internal control weaknesses issued by the statutory auditors.
- Internal audit reports relating to internal control weaknesses.
- The appointment, removal and terms of remuneration of the chief internal auditors.

REMUNERATION POLICY :

The Remuneration Committee has been in place to recommend / review the remuneration packages of the Executive Director(s). The Remuneration Committee of Directors consists of three independent directors, namely Mr.S.M. Kheny, Mr.S.S. Vaidya and Mr.M.U. Takale. During the year 2011-12 one meeting of the Remuneration Committee was held on 26th March, 2012.

The Executive Director and Managing Director are paid remuneration as per the terms approved by the Remuneration Committee and the Board and confirmed by the Shareholders of the Company. The remuneration of the Executive Director and Managing Director comprises of Salary, Commission and Perquisites besides contributions to provident fund, superannuation and gratuity and leave encashment facility. The Company does not have any stock option scheme.

The Non-Executive Directors are paid sitting fees for attending each meeting of the Board and of the Committees thereof as specified by the Board. Each of the Non-Executive Directors is paid sitting fee of ₹ 2,000/- per meeting attended by him. The Non-Executive Directors also draw remuneration in the form of commission based on net profits of the Company, as determined by the Board.

REMUNERATION OF DIRECTORS :

Table 2 : The details of the remuneration package of Directors during the financial year 2011-12, their shareholding in the Company and relationship with other directors, if any :

Name of Director	Relationship with other directors	Sitting fees* (₹)	Salaries and perquisites (₹)	Commission (₹)	Total (₹)	No. of Shares held
Mr.B.N. Kalyani	Father of Mr.Amit B. Kalyani	46,000	—	—	46,000	1,118
Mr.Amit B. Kalyani	Son of Mr.B.N. Kalyani	16,000	—	—	16,000	31,694
Mr.S.M. Kheny	None	36,000	—	—	36,000	10,914
Mr.S.S. Vaidya	None	24,000	—	—	24,000	—
Mr.B.B. Hattarki	None	86,000	—	—	86,000	—
Mr.M.U. Takale	None	16,000	—	—	16,000	2,500
Mr.Arun Pawar **	None	8,000	—	—	8,000	—
Mr.C.G. Patankar	None	N.A.	***8,061,350	—	8,061,350	4,770
Mr.R.K. Goyal	None	N.A.	****25,607,400	—	25,607,400	—

* Sitting fees include payment for board level committee meetings.

** Co-opted as an Additional Director w.e.f. 25th October, 2011.

*** Subject to approval of the members by way of Special Resolution and of Central Government.

**** Subject to approval of the members by way of Special Resolution.

None of the employees are related to any of the Directors of the Company.

2. MANAGEMENT

MANAGEMENT DISCUSSION AND ANALYSIS :

This Annual Report has a detailed chapter on Management Discussion and Analysis.

DISCLOSURES BY MANAGEMENT TO THE BOARD :

All disclosures relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board and the interested Directors do not participate in the discussions nor do they vote on such matters.

3. SHAREHOLDERS

DISCLOSURES REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS :

Mr.Amit B. Kalyani, Mr.S.M. Kheny and Mr.C.G. Patankar, Directors of the Company are retiring by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Mr.Arun P. Pawar, has been appointed as an Additional Director of the Company w.e.f. 25th October, 2011, is seeking an appointment as Director pursuant to the Notice received from the Member of the Company, signifying their intention to propose Mr.Arun P. Pawar, as candidate for the office of Director. Details of directors to be re-appointed/appointed, are given below :

Mr.Amit B. Kalyani, born on 26th July, 1975, is an Executive Director of Bharat Forge Limited. Mr.Amit B. Kalyani, after having his initial education in Pune, graduated in Mechanical Engineering from Bucknell University, U.S.A. He was in U.S.A. for a number of years and besides obtaining degree in engineering, has had considerable exposure to technological advancements in various fields and especially in Information Technology. He also has work experience in Speciality Steel Manufacturing Industry in U.S.A. Mr.Amit B. Kalyani serves on the Board of Kalyani Investment Company, BF Utilities, Kalyani Infotech Solutions, Nandi Economic Corridor Enterprises, Nandi Infrastructure Corridor Enterprises, KPIT Cummins Infosystems, Khed Developers, BF-NTPC Energy Systems, BF Investment, Kalyani Alstom Power, BF Infrastructure and Hikal. Mr.Kalyani is retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr.S.M. Kheny, Mechanical Engineer, born on 18th March, 1948 is an Independent Director of the Company. Mr.Kheny serves on the Board of Kalyani Engineering & Construction Company, Kalyani Highway Developers, Kalyani Infrastructure Projects, Kalyani Habitat, India International Infrastructure Engineers, Nandi Engineering, Nandi Highway Developers, Nandi Infrastructure Capital Company, Hospet Steels, Hikal and Hospet Power. Mr.Kheny is retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr.C.G. Patankar, born on 6th June, 1956, holds a Bachelor's Degree in Science and he is a Chartered Accountant, having a rich experience of more than 35 years. Mr.Patankar also serves on the Board of Kalyani Thermal, Kalyani Mukand, Kalyani International, Hospet Steels, Kalyani Investment Company and Spice Islands Apparels. Mr.Patankar is retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Arun P. Pawar born on 17th September, 1950, holds a Bachelor's Degree in Science and he has worked in the Indian Revenue Service (IRS:75), in the Income Tax Dept., for 36 years, having varied experience in Income Tax Assessment and Investigation along with General Administration. As Chief CIT & Commissioner, he had worked in Maharashtra (Thane & Mumbai) and in other states like Karnataka, Tamilnadu & Andhra Pradesh.

COMMUNICATION TO SHAREHOLDERS :

Kalyani Steels puts all vital information relating to the Company and its performance, including quarterly, half yearly, yearly financial results, official announcements and communication to the investors and analysts on its website www.kalyanisteels.com regularly for the benefit of the public at large.

Quarterly, half yearly, yearly financial results are published in leading newspapers such as Business Standard (All Editions) and Loksatta (Pune) and are also sent to the Stock Exchanges immediately after they are approved by the Board.

Letters and Transfer Deeds received from shareholders are acted upon and replied promptly.

INVESTOR GRIEVANCES :

The Company has in place Shareholders' / Investors' Grievance Committee for redressing "Shareholders' / Investors' complaints. The Committee comprises of Mr.S.M. Kheny (Chairman), Mr.R.K. Goyal, Managing Director and Mr.B.B. Hattarki, Director. During the year 2011-12, the Shareholders / Investors Grievance Committee met on 20th April, 2011, 29th July, 2011, 25th October, 2011 and 21st January, 2012. Particulars relating to the attendance at the Shareholders' / Investors' Grievance Committee meetings held during the year are given below :

Name of Director	Category	Number of Meetings held	Number of Meetings attended
Mr.S.M. Kheny, Chairman	Independent	4	4
Mr.C.G. Patankar*	Executive	2	2
Mr.R.K. Goyal**	Executive	2	2
Mr.B.B. Hattarki	Non-Executive	4	4

*Ceased to be member w.e.f. 29th July, 2011
**Co-opted as member w.e.f. 29th July, 2011

During the year Three complaints were received, which were redressed. The status of complaints is also reported to the Board of Directors, as an agenda item. Mrs.Deepti R. Puranik, Company Secretary, is the Compliance Officer.

The Company has already provided separate E-mail ID for registering complaints by investors (investor@kalyanisteels.com) and the said E-mail ID is also displayed on the web-site.

SHARE TRANSFER :

The Company has constituted the 'Share Transfer Committee', which meets twice a month to approve share transfers, transmissions, consolidation, sub-division, issue of duplicate certificates and requests for dematerialisation of Company's shares. The Committee comprises of Mr.B.N. Kalyani, Chairman, Mr.B.B. Hattarki, Director and Mr.R.K. Goyal, Managing Director.

DETAILS OF NON-COMPLIANCE :

Kalyani Steels has complied with all the requirements of regulatory authorities. No penalties were imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter relating to the capital market during the period under report.

GENERAL BODY MEETINGS :

Particulars of General Body Meetings held for the last three years are given below :

Date	Time	Type of Meeting	Venue	Special Resolutions Passed
26th August, 2009	11.00 a.m.	Annual General Meeting	Registered Office of the Company at Mundhwa, Pune - 411 036	4*
20th January, 2010	10.30 a.m.	Meeting as per the Directions of the Hon'ble High Court of Judicature at Bombay	Registered Office of the Company at Mundhwa, Pune - 411 036	1**
25th August, 2010	11.00 a.m.	Annual General Meeting	Registered Office of the Company at Mundhwa, Pune - 411 036	None
12th August, 2011	11.00 a.m.	Annual General Meeting	Registered Office of the Company at Mundhwa, Pune - 411 036	None

* Special Resolutions passed were : i) Payment of Minimum Remuneration to Mr.C.G. Patankar, Executive Director for the period of one year from 1st April, 2008 to 31st March, 2009; ii) Re-appointment of Mr.C.G. Patankar, Executive Director for the period of three years from 1st April, 2009 to 31st March, 2012; iii) Payment of Minimum Remuneration to Mr.Suresh Pandey, Wholetime Director (Technical) for the period from 1st April, 2008 to 31st January, 2009; and iv) Consent for Payment of Commission to Directors other than Executive / Wholetime Directors.

**Special Resolution was passed, under Section 100 of the Companies Act, 1956 for Reduction of Capital

No Special Resolution was put through postal ballot in the last year.

This year no resolution is proposed to be taken up through postal ballot.

COMPLIANCE WITH MANDATORY AND NON-MANDATORY REQUIREMENTS :

The Company is fully compliant with the applicable mandatory requirements of the Clause 49. It has not adopted any non-mandatory requirements.

SHAREHOLDER INFORMATION

ANNUAL GENERAL MEETING :

Day and Date : Saturday, 28th July, 2012 at 11.00 a.m.

Venue : Registered Office of the Company at Mundhwa, Pune - 411 036

FINANCIAL CALENDAR :

1st April to 31st March

BOOK CLOSURE :

The books will be closed from Saturday, 21st July, 2012 to Saturday, 28th July, 2012 (both days inclusive).

DIVIDEND DATE :

Dividend of ₹ 1/- per Equity Share of ₹ 5/- each (i.e. 20%) would be payable on and from 9th August, 2012

LISTING :

National Stock Exchange of India Limited (NSE)
Bombay Stock Exchange Limited (BSE)
Pune Stock Exchange Limited (PSE)

STOCK CODES :

NSE : KSL
BSE : 500235
PSE : KALST 6091
ISIN in NSDL and CDSL : INE907A01026

STOCK DATA :

Table below gives the monthly high and low prices and volumes of trading of Equity Shares of the Company at National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE) for the year 2011-12 :

Month & Year	NSE			BSE		
	High (₹)	Low (₹)	Volume (No. of Shares Traded)	High (₹)	Low (₹)	Volume (No. of Shares Traded)
April, 2011	95.80	80.40	1,698,332	95.95	81.10	2,103,280
May, 2011	94.00	71.25	777,699	85.80	71.25	844,316
June, 2011	84.40	69.90	750,069	84.40	69.75	774,482
July, 2011	84.20	72.10	1,461,276	84.15	72.25	1,100,708
August, 2011	73.65	46.00	781,062	73.90	47.00	778,550
September, 2011	59.65	48.40	734,229	59.75	48.60	685,037
October, 2011	53.90	45.25	367,708	51.35	46.60	428,268
November, 2011	49.80	37.00	279,566	49.80	37.10	311,748
December, 2011	41.90	31.40	242,158	41.70	32.00	344,548
January, 2012	55.45	34.00	1,045,687	55.50	34.80	1,302,405
February, 2012	70.20	52.00	1,289,077	70.35	52.00	1,567,110
March, 2012	61.10	48.10	633,811	60.90	48.55	695,874

REGISTRAR AND TRANSFER AGENTS AND SHARE TRANSFER SYSTEM :

M/s. Link Intime India Private Limited, Block No.202, Akshay Complex, 2nd Floor, Off Dhole Patil Road, Near Ganesh Mandir, Pune - 411 001 are the Registrar and Transfer Agents of the Company and carry out the share transfer work on behalf of the Company. The Equity Shares of the Company are traded on the Stock Exchanges compulsorily in demat mode.

PATTERN OF SHAREHOLDING BY OWNERSHIP AS ON 31ST MARCH, 2012 :

Category	No. of Equity Shares held	Shareholding %
Promoters	26,126,356	59.849
Mutual Funds / UTI	36,096	0.084
Insurance Companies	75,000	0.172
Banks	2,818	0.006
FIIs	75,996	0.174
Bodies Corporate	4,828,326	11.061
NRIs / OCBs	217,362	0.498
Foreign Companies / Foreign Nationals	866	0.002
Indian Public	12,290,240	28.154
TOTAL	43,653,060	100.000

PATTERN OF SHAREHOLDING BY SHARE CLASS AS ON 31ST MARCH, 2012 :

Shareholding Class	No. of Shareholders	No. of Shares held	Shareholding %
Up to 5,000	42,487	9,567,073	21.916
5,001 to 10,000	154	1,135,505	2.601
10,001 to 20,000	75	1,064,685	2.439
20,001 to 30,000	31	789,510	1.809
30,001 to 40,000	20	703,872	1.612
40,001 to 50,000	14	640,028	1.466
50,001 to 100,000	13	876,993	2.010
100,001 and above	10	28,875,394	66.147
TOTAL	42,804	43,653,060	100.000

DEMATERIALISATION :

The Company's Equity Shares are under compulsory Demat Trading. As on 31st March, 2012, dematerialised shares accounted for 90.94% of the total Equity.

SITE LOCATION :

The integrated steel plant of the Company is located at Village Ginigera, Taluka and District Koppal, in the State of Karnataka.

INVESTORS CORRESPONDENCE ADDRESS :

1) Link Intime India Private Limited
Registrar & Transfer Agent
Block No.202, Akshay Complex, 2nd Floor,
Off Dhole Patil Road, Near Ganesh Mandir,
Pune ˘ 411 001
Phone No. : 020 ˘ 26161629 / 26160084
Telefax : 020 - 26163503
E-Mail : pune@linkintime.co.in

2) Kalyani Steels Limited,
Secretarial Department
Mundhwa, Pune ˘ 411 036
Phone No. : 020-26715000 / 66215000
Fax No. : 020-26821124
E-mail : investor@kalyanisteels.com

Declaration under Clause 49 I (D)(ii) by the Managing Director of affirmation by the Board of Directors and Senior Management of Compliance with the Code of Conduct

The Shareholders,

I, R.K. Goyal, Managing Director of the Company do hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct adopted by the Board at its meeting held on 23rd January, 2006, applicable to the Board of Directors and Senior Management of the Company.

Sd/-
R.K. Goyal
Managing Director

Place : Pune
Date : 26th May, 2012

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Kalyani Steels Limited

We have examined the compliance of conditions of Corporate Governance by Kalyani Steels Limited, for the year ended 31st March, 2012, as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with stock exchange(s) in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Dalal & Shah
Firm Registration No.102021W
Chartered Accountants

Anish Amin
Partner
Membership No.40451

Place : Pune
Date : 26th May, 2012

DIRECTORS' REPORT

Dear Shareholders,

The Directors have pleasure in presenting the Thirty-Ninth Annual Report on the business and operations of the Company and the Audited Financial Statements for the year ended 31st March, 2012.

1. **Financial Highlights :**

(₹ in Million)

		2011-12	2010-11
Sales, Gross	:	**11,715.871**	14,187.255
Excise Duty	:	**2,013.128**	2,076.978
Sales, Net	:	**9,702.743**	12,110.277
Other Operating Revenue	:	**192.651**	257.940
Revenue from Operations (Net)	:	**9,895.394**	12,368.217
Other Income	:	**224.199**	166.908
Total Revenue	:	**10,119.593**	12,535.125
Total Expenditure	:	**9,387.332**	11,351.332
Finance Cost	:	**302.050**	203.306
Depreciation & amortisation expenses	:	**260.568**	294.762
Profit before exceptional items and tax	:	**169.643**	685.725
Exceptional Item - Profit on Sale of Investment	:	**54.800**	—
Profit before Tax	:	**224.443**	685.725
Provision for Taxation	:	**4.079**	138.687
Profit after Tax	:	**220.364**	547.038
Dividend on Equity Share Capital	:	**43.653**	87.306

2. **Dividend :**

The Directors recommend a dividend of ₹ 1/- per Equity Share of ₹ 5/- each (i.e. 20%) for the year ended 31st March, 2012.

3. **The Year in Retrospect :**

The year 2011-12 was a very challenging year for the Company. In the steel industry, cost is the main driver for competitiveness and the majority of the cost of production is contributed by raw materials, mainly iron ore and metallurgical coke. In order to ensure continuous and assured supply of iron ore, the Company had entered into long-term agreement with Mysore Minerals Limited (MML) for purchase of calibrated iron ore. By virtue of this Agreement, the iron ore extracted from Subbarayanhalli Iron Ore Mine (SIOM) of MML, was exclusively sold to the Company, catering the requirements of iron ore of the Company.

During the month of July, 2011, due to illegal mining and increasing environmental degradation in the State of Karnataka, the Hon'ble Supreme Court of India, vide its order dated 29th July, 2011, suspended the mining operations and transportation of iron ore in the Bellary District, in an area ad-measuring approximately 10,868 hectares of land, which accounts for 80% of Karnataka's iron ore production. Accordingly, the operations and transportation of iron ore from SIOM and other mines in the Bellary District was totally suspended.

As a result of mining ban, the iron ore production declined drastically in the Karnataka State and the Company was required to operate at very lower capacity. The Company along with other steel plants in the State of Karnataka, made lot of representations to the Hon'ble Supreme Court of India and related departments of Central and State Governments, for providing relief against ban and to restore iron ore availability as earlier.

Based on representations made, on 5th August, 2011, the Hon'ble Supreme Court allowed NMDC Limited (NMDC) to operate its two mines to the extent of providing 1 (One) Million Tonne of iron ore per month and auctioning of stocks of iron ore of 25 (Twenty Five) Million Tonne, which were lying in the various mines and stockyards.

Since, NMDC was allowed to operate its two mines, the Company made reasonable efforts to get allocation of iron ore from NMDC. However, considering the long-term supply agreements of NMDC with its customers and limited production of iron ore, the Company got allocation on adhoc basis from NMDC.

Based on the suggestion of the Central Empowered Committee (CEC), the Hon'ble Supreme Court of India vide its order dated 26th August, 2011 extended the operation of order dated 29th July, 2011 to the leases in District Chitradurga and Tumkur, thereby consequently banning mining in District Chitradurga and Tumkur also, which accounts for balance 20% of Karnataka's iron ore production.

Thereafter the Hon'ble Supreme Court directed that the sale of iron ore should continue only through e-auction under the supervision of the Monitoring Committee set up by the Hon'ble Supreme Court. In the given situation, the Company had no other option than to procure iron ore by participating in e-auction conducted by Monitoring Committee. Due to short supply of iron ore, the prices of iron ore became speculative and almost doubled, putting pressure on the operating margins. Uncommon increase in prices of the iron ore, has adversely impacted the volumes and the margins of the Company.

4. Rolling Mill :

The Company's initiatives to increase rolling capacity by 100,000 MTs of steel per annum, at Hospet, by setting up of an additional Rolling Mill are in progress. The Company has incurred capex of ₹ 481 Million till year end and the mill would be operational by September, 2012. This would facilitate reduction in cost, inventory and will cater to customer needs faster.

5. Cost Reduction Initiatives :

The initiatives taken by the Company towards cost reduction by installation of sinter plant, coal injection system and stoves on blast furnaces, are underway as scheduled. These installations are expected to be on stream by March, 2013, resulting in substantial cost savings, thus improving margins.

6. Fixed Deposits :

As on 31st March, 2012, deposits aggregating ₹ 448,000/- (45 depositors) remained unclaimed. Out of these deposits, one deposit amounting to ₹ 10,000/- was claimed and then repaid by the Company during the month of April, 2012. Presently, the Company does not accept / renew the deposits.

7. Directors :

Mr.Arun P. Pawar, who was appointed as an Additional Director on the Board, with effect from 25th October, 2011, holds office till the ensuing Annual General Meeting. Notice proposing appointment of Mr.Arun P. Pawar as Director having been received, the matter is included in the Notice for the ensuing Annual General Meeting.

Mr.C.G. Patankar, Executive Director completed his term on 31st March, 2012. He continues on the Board as Non-Executive Director.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr.Amit B. Kalyani, Mr.S.M. Kheny and Mr.C.G. Patankar Directors of the Company are retiring by rotation at the ensuing Annual General Meeting and being eligible, they offer themselves for re-appointment.

These appointments form part of the Notice of the Annual General Meeting and the Resolutions are recommended for your approval. Profiles of these Directors, as required by the Corporate Governance Code (Clause 49 of the Listing Agreement), are given in the report on Corporate Governance.

8. Directors' Responsibility Statement :

Pursuant to the requirements under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that :

i) in the preparation of the financial statements for the year ended 31st March, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2012 and of the profit of the Company for the year under review;

iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

iv) the Directors had prepared the financial statements for the year ended 31st March, 2012, on a 'going concern' basis.

9. Auditors :

M/s Dalal and Shah, Chartered Accountants, Mumbai (Firm Registration No.102021W) are the present Statutory Auditors of the Company.

The Company has received a Special Notice from a member of the Company signifying his intention to propose the name of M/s P.G. Bhagwat, Chartered Accountants, Pune (Firm Registration No.101118W), as Statutory Auditors of the Company.

M/s P.G. Bhagwat, Chartered Accountants, Pune, have expressed their willingness to act as a Statutory Auditors of the Company.

You are requested to appoint of M/s P.G. Bhagwat, Chartered Accountants, Pune, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting.

10. Particulars of Employees :

As required under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are set out in the Annexure to the Directors' Report. However, in terms of the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and the Accounts is being sent to all Shareholders of the Company excluding the aforesaid Annexure. Any Shareholder interested in obtaining a copy of said Annexure may write to the Company Secretary at the Registered Office of the Company.

11. Conservation of energy, technology absorption and foreign currency exchange earnings & outgo :

The information required under the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 and forming part of the Report is annexed hereto.

12. Quality and Safety :

Your Company accords high priority to quality, safety, training, development, health and environment. The Company endeavors to ensure continuous compliance and improvements in this regard.

13. Employees :

The Board of Directors wishes to place on record its appreciation for the exemplary dedication and contribution of the employees at all levels, to ensure that the Company continues to grow and excel.

Your Directors would like to place on record their appreciation of the co-operation received from the Central Government, Government of Maharashtra, Government of Karnataka, Karnataka Industrial Area Development Board, Financial Institutions and the Bankers.

The Directors express their special thanks to Mr.B.N. Kalyani, Chairman of the Company, for his untiring efforts for the progress of the Company.

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for and on behalf of the Board of Directors

Place : Pune
Date : 26th May, 2012

B.N. Kalyani
Chairman

INFORMATION AS PER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956, READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2012

I. CONSERVATION OF ENERGY :

a) Energy Conservation measures taken :
- Installation of Sinter Plant and PCI under progress
- Installation of Hot Blast Stoves under progress, to achieve higher blast temperature
- Reduction in furnace oil consumption in rolling mill, by partly replacing by blast furnace gases

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy :
- Erection of new BF gas line for reheating furnace - 2 for utilising in duel fired burner, which will reduce furnace oil consumption

c) Impact of the measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods :
- Reduction in coke consumption
- Use of iron ore fines by replacing calibrated ore
- Reduction in furnace oil consumption

d) Total energy consumption and energy consumption per unit of production as per Form - A of the Annexure to the Rules in respect of Industries specified in the Schedule thereto :

	2011-12	2010-11
A) Power & Fuel Consumption :		
1. Electricity :		
a) Purchased		
Unit (Kwh in thousands)	**33,111**	25,237
Total Amount (₹ in Million)	**210.519**	140.329
Rate / Unit (₹ / Kwh)	**6.36**	5.56
b) Own generation		
I) Through Diesel Generator		
Unit (Kwh in thousands)	**11.425**	64.050
Units per Ltr. of HSD (Kwh / Ltrs)	**2.626**	3.357
Cost / Unit (₹ / Kwh)	**14.07**	10.74
II) Through Steam Turbine / Generator Unit		
Unit (Kwh in thousands)	**33,036**	57,466
Units per NM^3 (Blast Furnace Gas) (Kwh / NM^3)	**0.136**	0.139
Cost / Unit (₹ / Kwh)	**2.58**	1.50
2. Coke :		
Quantity (Tonnes)	**109,495**	138,824
Total Cost (₹ in Million)	**2,637**	3,066
Average Rate (₹ / MT)	**24,081**	22,088
3. Furnace Oil :		
Quantity (K. Ltrs.)	**8,014**	9,985
Total Amount (₹ in Million)	**319.341**	293.087
Average Rate (₹ / Ltrs.)	**39.85**	29.35

		2011-12	2010-11
HSD :			
Quantity (K. Ltrs.)		**60.819**	30.400
Total Amount (₹ in Million)		**2.248**	1.096
Average Rate (₹ / Ltrs.)		**36.96**	36.06
4. Others :			
LDO			
Quantity (K. Ltrs.)		**24.880**	62.190
Total Cost (₹ in Million)		**1.316**	2.763
Rate (₹ / K. Ltrs.)		**52.87**	44.43

B) Consumption per unit of production :

	Unit	2011-12	2010-11
Hot Metal			
Electricity	KWH	**137.474**	138.607
HSD	Ltrs.	**0.165**	0.065
Coke	M.T.	**0.696**	0.704
LDO	Ltrs.	**0.067**	0.132
Furnace Oil	Ltrs.	**—**	—
Steel Making			
Electricity	KWH	**70.77**	69.32
Furnace Oil	Ltrs.	**42.90**	49.75

II TECHNOLOGY ABSORPTION :

Efforts made in technology absorption as per Form - B of the Annexure to the Rules

1. Research & Development (R & D) :
   a) Specific area in which R & D carried out by the Company :
      - Development of bearing steel with low nitrogen
      - Development of import substitution chrome-moly steel grades
   b) Benefits derived as a result of the above R & D :
      - Able to increase value additions while also ensuring a wider customer base
   c) Future plan of action :
      - Energy Conservation measures and use of alternative raw materials
   d) Expenditure on R & D :

		2011-12	2010-11
		₹	₹
(i)	Capital	**—**	—
(ii)	Recurring	**—**	—
(iii)	Total	**—**	—
(iv)	Total R&D expenditure as a percentage of total turnover	**—**	—

2. Technology absorption, adaption and innovation :
   a) Efforts in brief, made towards technology absorption, adaptation and innovation :
      - Installation of Sinter Plant and PCI to reduce coke consumption and to use iron ore fines
      - Installation of Hot Blast Stoves to achieve higher hot blast temperature thereby reducing coke consumption

b) Benefits derived as a result of the above efforts, for product improvement, cost reduction, product development, import substitution etc. :
   - Reduction in energy consumption
   - Reduction in coke consumption
   - Use of cheaper raw materials leading to cost reduction

c) In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year)

   New AMLC system for continuous caster machine (Servo Motor based)

III. FOREIGN EXCHANGE EARNINGS & OUT GO :

a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans :

   Concerted efforts are underway to develop export market.

b) Total foreign exchange used and earned : (₹ in Million)

   Used : ₹ 1,643.701 Earned : ₹ 492.651

for and on behalf of the Board of Directors

Place : Pune
Date : 26th May, 2012

B.N. Kalyani
Chairman

AUDITORS' REPORT TO THE MEMBERS OF KALYANI STEELS LIMITED

1. We have audited the attached Balance Sheet of Kalyani Steels Limited (the "Company") as at 31st March, 2012 and the related Statement of Profit and Loss and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the "Order"), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that :

   (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;

   (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;

   (e) On the basis of written representations received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;

   (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give, in the prescribed manner, the information required by the Act, and give a true and fair view in conformity with the accounting principles generally accepted in India :

      (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;

      (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

      (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Dalal & Shah
Firm Registration No.102021W
Chartered Accountants

Anish Amin
Partner
Membership No.40451

Pune
26th May, 2012

ANNEXURE TO THE AUDITORS' REPORT :

Referred to in paragraph 3 of the Auditors' Report of even date to the members of KALYANI STEELS LIMITED on the financial statements as of and for the year ended 31st March, 2012

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
   (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
   (c) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
2. (a) The inventory has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
   (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
   (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
3. (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
   (b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
4. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. According to the information and explanations given to us, there have been no contracts or arrangements referred to in Section 301 of the Act during the year to be entered in the register required to be maintained under that Section. Accordingly, the question of commenting on transactions made in pursuance of such contracts or arrangements does not arise.
6. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A and 58AA or any other relevant provisions of the Act and the 'Companies (Acceptance of Deposits) Rules, 1975' with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.
7. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
8. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
9. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, wealth tax, service tax, customs duty and excise duty as at 31st March, 2012 which have not been deposited on account of a dispute, are as follows :

Name of the Statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
Sales Tax	—	—	—	—
Income Tax	—	—	—	—
Wealth Tax	—	—	—	—
Service Tax	Demand received for various cases.	1,182,269	2005-06	Tribunal
Customs Duty	—	—	—	—

10. The Company has no accumulated losses as at 31st March, 2012 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company has maintained proper records of transactions and contracts relating to dealing or trading in shares, securities, debentures and other investments during the year and timely entries have been made therein. Further, such securities have been held by the Company in its own name.
14. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
15. In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.
16. On the basis of an overall examination of the balance sheet of the Company, in our opinion, and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
17. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
18. The Company has created security / charge in respect of debentures outstanding at the year-end. The details of security are disclosed in Note 4 to the Financial Statements.
19. The Company has not raised any money by public issues during the year.
20. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
21. Considering the nature of the business, Clause (xiii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, is not applicable in the case of the Company for the current year, hence in our opinion there is no matter which arises to be reported in the aforesaid Clause of the Order.

For Dalal & Shah
Firm Registration No.102021W
Chartered Accountants

Anish Amin
Partner
Membership No.40451

Pune
26th May, 2012

BALANCE SHEET AS AT 31ST MARCH, 2012

	Notes	₹	₹	As at 31st March, 2011 ₹
I. EQUITY AND LIABILITIES :				
1. Shareholders' Funds :				
a) Share Capital	2	218,644,367		218,644,367
b) Reserves and Surplus	3	3,165,264,448		2,995,635,628
			3,383,908,815	3,214,279,995
2. Non Current Liabilities :				
a) Long Term Borrowings	4	831,073,334		898,751,165
b) Deferred Tax Liabilities (Net)	5	321,524,719		364,266,632
c) Other Long Term Liabilities	6	540,183,391		537,431,459
d) Long Term Provisions	9	2,037,821		1,280,759
			1,694,819,265	1,801,730,015
3. Current Liabilities :				
a) Short Term Borrowings	7	1,095,596,405		1,356,641,039
b) Other Current Liabilities	8	1,756,779,569		1,486,830,324
c) Short Term Provisions	9	58,183,078		109,544,074
			2,910,559,052	2,953,015,437
		TOTAL	7,989,287,132	7,969,025,447
II. ASSETS :				
1. Non Current Assets :				
a) Fixed Assets :				
i) Tangible Assets	10	1,906,354,361		2,141,396,554
ii) Capital work-in-progress		595,822,324		123,100,837
		2,502,176,685		2,264,497,391
b) Non Current Investments	11	687,299,970		832,499,970
c) Long Term Loans and Advances	12	727,867,367		504,861,378
			3,917,344,022	3,601,858,739
2. Current Assets :				
a) Inventories	13	1,177,048,751		1,352,392,926
b) Trade Receivables	14	1,984,355,015		2,495,677,091
c) Cash & Bank Balances	15	190,074,892		176,232,897
d) Short-Term Loans and Advances	12	638,215,827		299,558,947
e) Other Current Assets	16	82,248,625		43,304,847
			4,071,943,110	4,367,166,708
		TOTAL	7,989,287,132	7,969,025,447
Summary of Significant Accounting Policies followed by the Company	1			

As per our attached Report of even date

For DALAL & SHAH
Firm Registration No.102021W
Chartered Accountants

On behalf of the Board of Directors

Anish Amin
Partner
Membership No.40451

Mrs.D.R. Puranik
Company Secretary

R.K. Goyal
Managing Director

B.N. Kalyani
Chairman

Pune
Date : 26th May, 2012

Pune
Date : 26th May, 2012

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

	Notes	₹	₹	Previous Year ₹
INCOME :				
Sales, gross		**11,715,870,957**		14,187,255,331
Less : Excise duty		**2,013,128,360**		2,076,978,406
Sales, net		**9,702,742,597**		12,110,276,925
Other Operating Revenue		**192,651,127**		257,940,238
Revenue from Operations (net)	**17**		**9,895,393,724**	12,368,217,163
Other Income	**18**		**224,198,903**	166,907,742
Total Revenue			**10,119,592,627**	12,535,124,905
EXPENSES :				
Cost of raw material consumed	**19**	**5,654,242,112**		5,845,124,458
Purchases of traded goods	**20**	**592,060,708**		2,426,174,820
(Increase) / decrease in inventories of Finished Goods and Traded Goods	**21**	**(59,147,156)**		(227,683,962)
Employees benefits expense	**22**	**335,677,622**		300,325,078
Finance costs	**23**	**302,050,101**		203,306,140
Depreciation & amortisation expenses	**24**	**260,568,067**		294,761,696
Other expenses	**25**	**2,864,498,527**		3,007,391,400
			9,949,949,981	11,849,399,630
Profit before Exceptional Items and Tax			**169,642,646**	685,725,275
Exceptional Items - Profit on sale of Investments in Associate			**54,800,000**	—
Profit before Tax			**224,442,646**	685,725,275
Tax expenses :				
Current Tax		**47,000,000**		220,000,000
Deferred Tax	**6**	**(42,741,913)**		(57,248,728)
Add / (Less) : Excess provision for Taxation in earlier years		**(178,941)**		(24,063,987)
			4,079,146	138,687,285
Profit after Tax			**220,363,500**	547,037,990
Earnings per Share : Basic and diluted (Face Value of ₹ 5/-)	**26**		**5.05**	12.53
Summary of Significant Accounting Policies followed by the Company	**1**			

As per our attached Report of even date

For DALAL & SHAH
Firm Registration No.102021W
Chartered Accountants

On behalf of the Board of Directors

Anish Amin
Partner
Membership No.40451

Mrs.D.R. Puranik
Company Secretary

R.K. Goyal
Managing Director

B.N. Kalyani
Chairman

Pune
Date : 26th May, 2012

Pune
Date : 26th May, 2012

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	Year ended 31st March, 2012 ₹	₹	Year ended 31st March, 2011 ₹	₹
A. Cash Flow from Operating Activities :				
Profit for the Year Before Taxation		**224,442,646**		685,725,275
Add : Adjustment for Depreciation / Interest / Other Non Cash Expenses :				
Depreciation (including Leasehold Land Amortised)	**260,568,067**		294,761,696	
Bad Debts, Advances & Sundry Debit Balances written off	**23,435,389**		33,332,754	
Interest Charged (Net of Capitalised)	**302,050,101**		203,306,140	
Loss on Sale of Assets	**48,975**		1,983,258	
		586,102,532		533,383,848
Less : Adjustments for Dividend / Interest / Other Income :				
Dividend	**(90,709,763)**		(44,017,236)	
Profit on Sale of Assets	**(1,896,443)**		(2,234)	
Exceptional Item - Profit on Sale of Investment	**(54,800,000)**		—	
Interest from Deposits and Loans	**(40,079,339)**		(42,882,978)	
Provision no Longer Required	**(8,161,037)**		(50,864,111)	
Sundry Credit Balances Appropriated	**(29,976)**		(3,915,154)	
		(195,676,558)		(141,681,713)
Operating Profit Before Working Capital Changes		**614,868,620**		1,077,427,410
Changes in Working Capital :				
Inventories	**175,344,175**		(113,820,183)	
Trade Receivables	**487,886,686**		(221,976,848)	
Other Current Assets, Loans & Advances	**(379,979,499)**		156,583,704	
Trade Payables	**232,890,788**		(303,300,544)	
		516,142,150		(482,513,871)
Cash Generated from Operations		**1,131,010,770**		594,913,539
Direct Taxes Paid		**(44,442,219)**		(227,519,251)
Net Cash generated from Operating Activities (A)		**1,086,568,551**		367,394,288

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012 (Continued)

	Year ended 31st March, 2012 ₹	Year ended 31st March, 2011 ₹
B. Cash Flow from Investment Activities :		
Purchase of Assets	**(34,141,073)**	(86,253,412)
Capital Work in Progress	**(472,721,484)**	(108,243,548)
Sale of Assets	**10,462,667**	2,096,264
Advance for Capital Goods for Projects	**(179,594,893)**	(22,100,620)
Loans to Companies	**(43,411,096)**	(101,547,700)
(Purchase) / Sale of Investments including Advance for Purchase of Shares	**200,000,000**	(48,000,000)
Dividend Received	**90,709,763**	44,017,236
Interest Received	**40,079,339**	48,117,476
Net Cash used in Investment Activities (B)	**(388,616,777)**	(271,914,304)
C. Cash Flow from Financing Activities :		
Proceeds from Borrowings	**(298,752,236)**	175,004,151
Interest Paid	**(298,699,090)**	(182,949,087)
Dividend Paid	**(86,658,453)**	(54,135,881)
Net Cash Flow from Financing Activities (C)	**(684,109,779)**	(62,080,817)
Net Changes in Cash & Cash Equivalents (A + B + C)	**13,841,995**	33,399,167
Cash & Cash Equivalents at the beginning of the year as on 1st April, 2011 (*)	**176,232,897**	142,833,730
Cash & Cash Equivalents at the end of the year as on 31st March, 2012 (*)	**190,074,892**	176,232,897

(*) includes earmarked balances with bank (Unclaimed Dividend ₹ 4,337,605/- for the year 2011-12 and ₹ 3,689,938/- for the previous year 2010-11)

As per our attached Report of even date

For DALAL & SHAH
Firm Registration No.102021W
Chartered Accountants

On behalf of the Board of Directors

Anish Amin
Partner
Membership No.40451

Mrs.D.R. Puranik
Company
Secretary

R.K. Goyal
Managing
Director

B.N. Kalyani
Chairman

Pune
Date : 26th May, 2012

Pune
Date : 26th May, 2012

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 :

NOTE '1' : SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY :

Basis of preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

1] SYSTEM OF ACCOUNTING :

i) The Company generally follows the mercantile system of accounting and recognises income and expenditure on an accrual basis except those with significant uncertainties.

ii) Financial statements are based on historical cost. These costs are not adjusted to reflect the impact of the changing value in the purchasing power of money.

iii) The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumption that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any reservations to accounting estimates are recognised prospectively in current and future periods.

2] FIXED ASSETS AND DEPRECIATION :

A. FIXED ASSETS :

Fixed Assets are carried at cost of acquisition (including cost of specific borrowings up to date of installation) or construction, less accumulated depreciation (except freehold land) and amortisation (of cost of acquisition). In respect of projects implemented by the Company, fixed assets include all duties, non-refundable taxes, levies and costs incurred (which are directly attributable) for bringing assets into working condition for its intended use, including expenses during construction period, trial period etc.

B. DEPRECIATION :

a) LEASEHOLD LAND AND POWER LINE :

Cost of leasehold land is amortised over the period of lease and expenditures on power line is amortised over a period of ten years.

b) OTHER FIXED ASSETS :

Depreciation on additions to assets upto 31st August, 1987 is being provided on "Straight Line Method" pursuant to Circular No.1/1/1986-CLB No.15(50)84 CL-VI dt. 21.5.86 issued by the Department of Company Affairs in accordance with the provisions of Section 205(2)(b) of the Companies Act, 1956, at the rates (inclusive of multiple shift allowance) applicable under the Income Tax Rules in force at the time of acquisition / installation of the assets and depreciation on additions on and after 1st September, 1987 is provided on "Straight Line Method" in accordance with Schedule XIV to the Companies Act, 1956 as amended from time to time, from the beginning of the month in which addition is made except if the life of any asset is less than that computed with reference to the rates prescribed under Schedule XIV of the Companies Act, 1956, the same is written off over the economic life of the asset.

c) Depreciation on sale / deduction from Fixed Assets is provided for upto the month of sale, deduction, discardment as the case may be.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (continued) :

3] FOREIGN CURRENCY TRANSACTIONS :

Foreign Currency transactions are initially recorded at exchange rates prevailing on transaction dates. All foreign currency loans, current assets and current liabilities outstanding on the date of Balance Sheet are converted at the appropriate rates of exchange prevailing on the date of the Balance Sheet except those covered by forward contracts if any, which are accounted for at the contracted rate representing the amount required to meet the liability. Exchange difference arising from foreign currency fluctuations are dealt with in the Statement of Profit and Loss.

Derivative instrument to hedge foreign exchange exposures are simulated for maturity / closure at the close of the year. Losses arising on such simulation on account of fluctuations in exchange rates during the reporting period are recognised in the Statement of Profit and Loss. Gains, if any, are postponed for a recognisation on final determination.

4] TECHNICAL KNOW-HOW :

Expenditure on technical know-how in connection with production facilities is capitalised to the cost of the plant whereas process know-how is amortised over a period of six years in equal installments.

5] INVESTMENTS :

Investments are valued at cost of acquisition less diminution in the value, if determined to be of a permanent nature in respect of long term investments. Current investments are valued at cost of acquisition less diminution in the value at the close of the year, if realisable value is lower than carrying cost.

6] INVENTORY VALUATION :

Costs of inventories have been computed to include all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

A. Finished goods and materials in process :

a) Finished goods and materials in process are stated at their cost or market / realisable value, whichever is lower.

b) Cost of finished goods (including trial run product) includes all allocable overheads and excise duties but excludes interest.

B. Raw Materials :

Raw materials are stated at their historical costs computed at the weighted average price.

C. Stores & Spares :

Stores and spares are valued at their weighted average prices.

D. Scrap is valued at estimated realisable value.

E. Raw Material in transit is stated at actual cost up to the date of Balance Sheet.

7] DEBENTURE / SHARE ISSUE EXPENSES :

a) Debenture Issue Expenses :

Debenture issue expenses incurred in respect of debentures raised by the Company will be written off against the balance in the "Securities Premium Account" in accordance with Section 78 of the Companies Act, 1956 and in the event of inadequacy of balance in "Securities Premium Account" the same will be written off against the profits of the Company in equal annual installments over period of ten years or over the tenure of the Debenture whichever is less, from the date of commencement of commercial production of the concerned project for which they have been raised.

b) Share Issue Expenses :

Share Issue Expenses incurred in respect of shares raised by the Company will be written off from the date of allotment against the balance in the "Securities Premium Account" in accordance with Section 78 of the Companies Act, 1956 and in the event of inadequacy of balance in "Securities Premium Account" the same will be written off in ten equal annual installments against the profits of the respective years.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (continued) :

8] PREMIUM ON REDEMPTION OF DEBENTURES :

From the year ended 31st March, 1992 onwards, premium payable on redemption of debentures will be provided for against balance lying in the "Securities Premium Account" on the date of redemption in accordance with Section 78 of the Companies Act, 1956. In the event of inadequacy of balance in the "Securities Premium Account", the same will be provided for against the profits equally over the tenure of the debentures.

9] A. SALES :

i) Domestic sales are accounted for when dispatched from the point of sale, consequent to property in goods being transferred.

ii) Export sales for exports are accounted on the basis of date of Bill of Lading.

B. EXPORT INCENTIVES :

Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

C. Interest is accrued over the period of loan / investment.

D. Dividend is accrued in the year in which it is declared, whereby right to receive is established.

E. Profit / Loss on sale of investment are recognised on contract date.

10] EMPLOYEE BENEFITS :

a) Provident Fund :

Benefits in the form of Provident Fund and Pension Schemes whether in pursuance of law or otherwise which are defined contributions is accounted on accrual basis and charged to the Statement of Profit and Loss of the year. Provident Fund Contributions are made to the Company's Provident Fund Trust. Deficits, if any, of the fund as compared to actuarial liability is to be additionally contributed by the company and hence recognised as a liability.

b) Gratuity :

Payment for present liability of future payment of gratuity is being made to approved gratuity funds which fully covers the same under Cash Accumulation Policy of the Life Insurance Corporation of India. The employee's gratuity is a defined benefit plan is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance Sheet and the shortfall in the fair value of the plan assets is recognised as obligation.

c) Superannuation :

Defined contributions to Life Insurance Corporation of India for employees covered under superannuation scheme are accounted at the rate of 15% of such employee's annual salary.

d) Privilege Leave Benefits :

Privilege leave benefits or compensated absences are considered as long term unfunded benefit and is recognised on the basis of an actuarial valuation using the Projected Unit Credit Method determined by an appointed Actuary.

e) Termination Benefits :

Termination benefits such as compensation under voluntary retirement scheme are recognised as a liability in the year of termination.

11] RESEARCH AND DEVELOPMENT EXPENDITURE :

Research and Development expenditure is charged to revenue under the natural heads of account in the year in which it is incurred. However, expenditure incurred at development phase, where it is reasonably certain that outcome of research will be commercially exploited to yield economic benefits to the Company, is considered as an intangible asset.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (continued) :

12] STRATEGIC ALLIANCE AT GINIGERA :

The expenses incurred by the Joint Venture Company viz. Hospet Steels Limited, formed with the specific purpose of managing and operating the composite Steel manufacturing facility at Ginigera, in the course of carrying out its objectives are, as agreed upon, to be shared by the alliance components in the pre-determined mutually agreed 'sharing ratio'. Such expenses billed for reimbursement by Hospet Steels Limited have been booked into their natural heads of accounts and presented as such in the accounts.

13] BORROWING COST :

Borrowing costs are recognised in the Statement of Profit and Loss except interest incurred on borrowings, specifically raised for projects are capitalised to the cost of the asset until such time that the asset is ready to be put to use for its intended purpose.

14] TAXATION :

Provision for Taxation is made on the basis of the taxable profits computed for the current accounting period in accordance with the Income Tax Act, 1961. Deferred tax resulting from timing difference between book profits and tax profits is accounted for at the applicable rate of tax to the extent the timing differences are expected to crystallise, in case of deferred tax liabilities with reasonable certainty and in case of deferred tax assets with virtual certainty that there would be adequate future taxable income against which deferred tax assets can be realised.

15] IMPAIRMENT OF ASSETS :

The Company tests for impairments at the close of the accounting period if and only if there are indicators that suggest a possible reduction in the recoverable value of an asset. If the recoverable value of asset, i.e. the net realisable value or the economic value in use of a cash generating unit is lower than the carrying amount of the asset, the difference is provided for as impairment. However, if subsequently the position reverses and the recoverable amount becomes higher than the then carrying value, the provision to the extent of the then difference is reversed, but not higher than the amount provided for.

16] PROVISIONS :

Necessary provisions are made for present obligations that arise out of past events prior to the Balance Sheet date entailing future outflow of economic resources. Such provisions reflect best estimates based on available information.

NOTE '2' : SHARE CAPITAL :

	As at 31st March, 2012		As at 31st March, 2011	
	No. of Shares	**₹**	No. of Shares	₹
AUTHORISED :				
Equity Shares of ₹ 5/- each	**95,000,000**	**475,000,000**	95,000,000	475,000,000
Cumulative Redeemable Preference Shares of ₹ 100/- each	**3,010,000**	**301,000,000**	3,010,000	301,000,000
Unclassified Shares of ₹ 10/- each	**2,400,000**	**24,000,000**	2,400,000	24,000,000
ISSUED :				
Equity Shares of ₹ 5/- each	**43,759,380**	**218,796,900**	43,759,380	218,796,900
SUBSCRIBED & PAID UP :				
Equity Shares of ₹ 5/- each fully paid	**43,653,060**	**218,265,300**	43,653,060	218,265,300
Add : Forfeited Equity Shares (amount paid up)	**106,320**	**379,067**	106,320	379,067
TOTAL	**43,759,380**	**218,644,367**	43,759,380	218,644,367

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (continued) :

2 (a) Terms / Rights attached to Shares :

Equity Shares :

The Company has only one class of Equity Shares having at par value of ₹ 5/- per share. Equity Shares are pari-passu in all respects and each shareholder is eligible for one vote per share held. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

2 (b) Details of shareholders holding more than 5% Shares in the Company :

Equity Shares :

Particulars	**As at 31st March, 2012**		As at 31st March, 2011	
	Nos.	**% holding in the class**	Nos.	% holding in the class
Equity Shares of ₹ 5/- each fully paid				
Ajinkya Investment & Trading Company	3,261,822	7.47	3,261,822	7.47
Sundaram Trading & Investment Private Limited	5,691,198	13.04	5,691,198	13.04
BF Investment Limited	17,052,421	39.06	17,052,371	39.06

NOTE '3' : RESERVES AND SURPLUS :

		As at 31st March, 2012	As at 31st March, 2011
	₹	₹	₹
Debenture Redemption Reserve (See Note '3(a)')			
As per last Account	**156,000,000**		76,500,000
Add : Set aside during the year	**35,700,000**		79,500,000
		191,700,000	156,000,000
General Reserve			
As per last Account	**318,265,300**		263,265,300
Add : Transferred from Statement of Profit and Loss	**17,000,000**		55,000,000
		335,265,300	318,265,300
Surplus in the Statement of Profit and Loss			
As per last Account	**2,521,370,328**		2,210,301,693
Add : Net Profit for the year	**220,363,500**		547,037,990
Amount available for Appropriation	**2,741,733,828**		2,757,339,683
Less : Appropriations			
Transferred to Debenture Redemption Reserve	**35,700,000**		79,500,000
Transferred to General Reserve	**17,000,000**		55,000,000
Proposed Equity Dividend (amount per share ₹ 1/- (31st March, 2011 : ₹ 2/-))	**43,653,060**		87,306,120
Tax on Proposed Equity Dividend	**7,081,620**		14,163,235
Total Appropriations	**103,434,680**		235,969,355
Surplus - Closing Balance		**2,638,299,148**	2,521,370,328
TOTAL		**3,165,264,448**	2,995,635,628

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (continued) :

3 (a) Debenture Redemption Reserve :

Debenture Redemption Reserve has been created in accordance with Circular No.9/2002 dated 18th April, 2002 issued by Department of Company Affairs, Ministry of Law Justice and Company Affairs, Government of India and Section 117(c) of Companies Act, 1956 at 25% of the maturity amount equally over the terms of Debentures privately placed. Amount set out for the year represents the entire required amount for the year in respect of the Seventeenth Series and the Nineteenth Series of the Debentures.

NOTE '4' : LONG-TERM BORROWINGS :

	Non-Current maturities		Current maturities	
	As at 31st March, 2012 ₹	As At 31st March, 2011 ₹	**As at 31st March, 2012** ₹	As At 31st March, 2011 ₹
SECURED :				
(i) Debentures (See Note '4 (a)') :				
400 (31st March, 2011 : 400) 10.75% Non-Convertible Redeemable Debentures (Nineteenth Series) of ₹ 1,000,000/- each	**400,000,000**	400,000,000	**—**	—
550 (31st March, 2011 : 550) 12.50% Non-Convertible Redeemable Debentures (Seventeenth Series) of ₹ 1,000,000/- each	**183,333,334**	366,666,667	**183,333,333**	183,333,333
TOTAL	**583,333,334**	766,666,667	**183,333,333**	183,333,333
(ii) Rupee Term Loans (See Note '4(b)') :				
Bank of Baroda	**43,750,000**	50,000,000	**6,250,000**	—
Axis Bank Limited	**203,990,000**	50,000,000	**126,010,000**	—
Canara Bank	**—**	32,084,498	**32,084,498**	128,339,268
HDFC Bank Limited	**—**	—	**—**	6,250,000
TOTAL	**247,740,000**	132,084,498	**164,344,498**	134,589,268
TOTAL	**831,073,334**	898,751,165	**347,677,831**	317,922,601
Less : Shown under "Other Current Liabilities" (See Note '8')	**—**	—	**(347,677,831)**	(317,922,601)
TOTAL	**831,073,334**	898,751,165	**—**	—

4 (a) Debentures :

The Company has issued the following Secured Non-Convertible Redeemable Debentures :

(i) 400 - 10.75% Secured Non-Convertible Redeemable Debentures (NCDs) (Nineteenth Series) of ₹ 1,000,000/- each, aggregating ₹ 400,000,000/- (Rupees Four Hundred Million only) were issued on private placement basis. In terms of the Debenture Trust Hypothecation Deed dated 15th December, 2009, NCDs are to be redeemed in three annual installments commencing from the end of fourth year from the date of allotment i.e. redeemable on 18th September, 2013 ₹ 333,333/- per debenture, on 18th September, 2014, ₹ 333,333/- per debenture and on 18th September, 2015, ₹ 333,334/- per debenture.

(ii) 550 - 12.50% Secured Non-Convertible Redeemable Debentures (NCDs) (Seventeenth Series) of ₹ 1,000,000/- each, aggregating ₹ 550,000,000/- (Rupees Five Hundred Fifty Million only) were issued on private placement basis, held by Life Insurance Corporation of India. In terms of the Debenture Trust Hypothecation Deed dated 8th April, 2009, NCDs are to be redeemed in three annual installments commencing from the end of third year from the date of allotment i.e. redeemable on 16th January, 2012 ₹ 333,333/- per debenture, on 16th January, 2013, ₹ 333,333/- per debenture and on 16th January, 2014, ₹ 333,334/- per debenture. The first redemption installment is already paid by the Company on 16th January, 2012.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (continued) :

4 (b) Rupee Term Loans :

(i) Bank of Baroda - Repayable in 16 quarterly installments commencing from 10th December, 2012, carrying interest of Base Rate plus 2% p.a. payable monthly.

(ii) Axis Bank Limited - Repayable in quarterly installment of ₹ 31,502,500/- each, commencing from 1st April, 2012, carrying interest of BPLR minus 4.75% p.a. payable monthly.

(iii) Canara Bank - Repayable in 8 quarterly installments, last installment due on 30th April, 2012, carrying interest of BPLR minus 2% p.a. payable monthly.

(iv) HDFC Bank Limited - Repaid in full on 2nd May, 2011 and satisfaction of charge has been filed with Government of India, Ministry of Corporate Affairs, Maharashtra, Pune.

Above debentures and loans are secured by mortgage of Company's immovable properties consisting of land together with all buildings and structures thereon and all plant and machinery, attached to the earth or permanently fastened to anything attached to the earth, both present and future and hypothecation of whole of the movable fixed assets / properties of the Company, including its movable plant and machinery, machinery spares, tools and accessories and other movable fixed assets, both present and future, ranking pari-passu with charges created and / or to be created in favour of the Trustees for Debenture holders and Banks / Financial Institutions for their term / foreign currency loans.

NOTE '5' : DEFERRED TAX LIABILITIES (NET) :

	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
DEFERRED TAX LIABILITIES :		
On account of Timing Difference in :		
a Depreciation and amortisation	**325,384,212**	367,302,019
DEFERRED TAX ASSETS :		
On account of Timing Difference in :		
b Disallowance u/s 43B of the Income Tax Act	**3,859,493**	3,035,387
TOTAL	**321,524,719**	364,266,632

NOTE '6' : OTHER LONG TERM LIABILITIES :

Trade Payables	**109,322,155**	106,570,223
Part amount received under an arrangement against sale of project promoted by the Company	**55,861,236**	55,861,236
Trade Advance from Related Party (See Note '37')	**375,000,000**	375,000,000
TOTAL	**540,183,391**	537,431,459

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (continued) :

	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
NOTE '7' : SHORT TERM BORROWINGS :		
Secured :		
Foreign Currency Term Loans from Banks, under a buyer's line of credit for Import of Goods	—	834,720,916
Unsecured :		
Foreign Currency Term Loans from Banks, under a buyer's line of credit for Import of Goods	**795,629,883**	—
Term Loan - Canara Bank	—	200,000,000
Sales Bill Discounting	**299,922,433**	306,851,664
Deposits	**44,089**	13,544,089
Fixed Deposits :		
From Public	—	1,524,370
TOTAL	**1,095,596,405**	1,356,641,039
NOTE '8' : OTHER CURRENT LIABILITIES :		
Trade Payables (See Note '8(a)' for details of dues to Micro, Small and Medium Enterprises)	**988,068,659**	906,756,561
Acceptances	**269,760,999**	—
Current Maturities of Long-Term Borrowings (See Note '4')	**347,677,831**	317,922,601
Interest accrued but not due on borrowings	**19,146,055**	18,468,962
Interest accrued and due on borrowings	**4,247,311**	1,573,393
Investor Education and Protection Fund, since paid	—	15,000
Unclaimed Dividend	**4,337,605**	3,689,938
Fixed Deposits matured but unclaimed	**448,000**	233,000
Amount payable against purchase of Preference Shares under an arrangement	**14,839,953**	122,839,953
Advances against order	**16,971,005**	24,619,622
Statutory dues payable including Tax Deducted at Source	**91,282,151**	90,711,294
TOTAL	**1,756,779,569**	1,486,830,324

8 (a) On the basis of information available with the Company regarding the status of suppliers as defined vide "Micro, Small and Medium Development Act, 2006" total dues to suppliers as at 31st March, 2012 amount to ₹ 583,530/-. Since there were no overdues beyond the credit period extended to the Company which is less than 45 days, no liability for payment of interest and related disclosures under the said act arose.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (continued) :

NOTE '9' : PROVISIONS :

	Long Term		Short Term	
	As at 31st March, 2012	As At 31st March, 2011	**As at 31st March, 2012**	As At 31st March, 2011
	₹	₹	**₹**	₹
Provision for Employee Benefits :				
Provision for Gratuity (See Note '9(a)')	**1,919,133**	1,280,759	**—**	—
Provision for Leave Benefits (See Note '9(a)')	**—**	—	**7,448,398**	8,074,719
Provision for PF Trust (See Note '9(b)')	**118,688**	—	**—**	—
	2,037,821	1,280,759	**7,448,398**	8,074,719
Other Provisions :				
Proposed Equity Dividend	**—**	—	**43,653,060**	87,306,120
Provision for Tax on Proposed Equity Dividend	**—**	—	**7,081,620**	14,163,235
	—	—	**50,734,680**	101,469,355
TOTAL	**2,037,821**	1,280,759	**58,183,078**	109,544,074

Details of Long Term Employee benefits determined by an appointed Actuary as regard the Company's employees are as follows :

9 (a) :

A. FUNDED SCHEME :

		Gratuity	
		As at 31st March, 2012	As At 31st March, 2011
		₹	₹
i)	Amounts to be recognised in the Balance Sheet :		
	a. Present Value of Defined Benefit Obligations		
	(i) Funded	**16,135,527**	12,434,871
	(ii) Unfunded	**—**	—
	b. Fair Value of Plan Assets	**14,216,394**	11,154,112
	c. Net Liability / (Asset) recognised in the Balance Sheet	**1,919,133**	1,280,759
ii)	Amount to be recognised in the Statement of Profit and Loss :		
	a. Current Service Cost	**1,923,848**	1,316,297
	b. Interest on Defined Benefit Obligations	**978,737**	815,486
	c. Expected Return on Plan Assets	**(905,412)**	(733,314)
	d. Net Actuarial Losses / (Gains) recognised in year	**1,180,697**	198,528
	Total included in "Employees' Emoluments"	**3,177,870**	1,596,997
iii)	Change in Defined Benefit obligation and reconciliation thereof :		
	a. Present Value of Defined Benefit obligation at the beginning of the year	**12,434,871**	10,001,416
	b. Interest Cost	**978,737**	815,486
	c. Current Service Cost	**1,923,848**	1,316,297
	d. Actuarial Losses / (Gains)	**1,501,472**	414,608
	e. Benefits Paid	**(703,401)**	(112,936)
	f. Present value of Defined Benefit obligation at the close of the year	**16,135,527**	12,434,871

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (continued) :

	Gratuity	
	As at 31st March, 2012	As At 31st March, 2011
	₹	₹
iv) Change in the fair value of Plan Assets and the reconciliation thereof :		
a. Fair Value of Plan Assets at the beginning of the year	**11,154,112**	9,350,309
b. Add : Expected return on Plan Assets	**905,412**	733,314
c. Add / (Less) : Actuarial (Losses) / Gains	**320,775**	216,080
d. Add : Contributions by employer	**2,539,496**	967,345
e. Benefits paid	**(703,401)**	(112,936)
f. Fair Value of Plan Assets at the close of the year	**14,216,394**	11,154,112
v) Broad Categories of Plan Assets as a percentage of total assets :		
Insurer Managed Funds	**100%**	100%

vi) Amount for the Current Period :

Experience History

	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2010	As at 31st March, 2009	As at 31st March, 2008
	₹	₹	₹	₹	₹
Present Value of Obligation	**16,135,527**	12,434,871	10,001,416	9,403,184	7,186,876
Plan Assets	**14,216,394**	11,154,112	9,350,309	8,554,311	6,076,953
Surplus / (Deficit)	**(1,919,133)**	(1,280,759)	(651,107)	(848,873)	(1,109,923)
Experience adjustments on plan liabilities (loss) / gain	**(1,716,213)**	(376,351)	1,433,933	(438,219)	(1,561,190)
Experience adjustments on plan assets (loss) / gain	**320,775**	216,080	149,826	151,044	96,328

vii) Summary of the Actuarial Assumptions :

	As at 31st March, 2012	As at 31st March, 2011
Discount Rate	**8.50%**	8.10%
Expected Rate of Return on Assets	**7.50%**	7.50%
Salary Escalation Rate	**7.00%**	7.00%

B. FUNDED SCHEME :

	LEAVE BENEFITS	
	As at 31st March, 2012	*As at 31st March, 2011
	₹	₹
(i) Amounts to be recognised in Balance Sheet :		
a. Present Value of Defined Benefit Obligations		
(i) Funded	**2,527,958**	—
(ii) Unfunded	**7,448,398**	8,074,719
b. Fair value of Plan Assets	**2,527,958**	—
c. Net Liability / (Asset) recognised in the Balance Sheet	**7,448,398**	8,074,719

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (continued) :

	LEAVE BENEFITS	
	As at 31st March, 2012	*As at 31st March, 2011
	₹	₹
(ii) Amount to be Recognised in the Statement of Profit and Loss :		
a. Current Service Cost	**1,740,177**	—
b. Interest on Defined Benefit Obligations	**634,201**	—
c. Expected Return on Plan Assets	**(90,272)**	—
d. Net Actuarial Losses / (Gains) Recognised in year	**(13,002)**	—
Total included in Employees Emoluments	**2,271,104**	—
(iii) Change in Defined Benefit obligation and reconciliation thereof :		
a. Present value of Defined Benefit obligation at the beginning of the year	**8,074,719**	—
b. Interest Cost	**634,201**	—
c. Current Service cost	**1,740,177**	—
d. Actuarial Losses / (Gains)	**17,419**	—
e. Benefits Paid	**(490,160)**	—
f. Present value of Defined Benefit obligation at the close of the year	**9,976,356**	—
(iv) Change in the fair value of Plan Assets and the reconciliation thereof :		
a. Fair value of Plan Assets at the beginning of the year	**—**	—
b. Add : Expected return on Plan Assets	**90,272**	—
c. Add / (Less) : Actuarial Losses / (Gain)	**30,421**	—
d. Add : Contributions by employer	**2,407,265**	—
e. Less : Benefits paid	**—**	—
f. Fair value of Plan Assets at the close of the year	**2,527,958**	—
(v) Broad Categories of plan assets as a percentage of total assets :		
a. Insurer Managed Funds	**100%**	—

Summary of the Actuarial Assumptions

	As at 31st March, 2012	As at 31st March, 2011
Discount Rate	**8.50%**	8.10%
Expected Rate of Return on Assets	**7.50%**	7.50%
Salary Escalation Rate	**7.00%**	7.00%

* For the previous year entire liability was un-funded and therefore the relevant available details are disclosed.

9 (b) **PROVIDENT FUND :**

In case of certain employees, the Provident Fund contribution is made to Kalyani Steels Limited Provident Fund Trust. In terms of the guidance note issued by the Institute of Actuaries of India, the actuary has provided a valuation of Provident Fund liability based on the assumptions listed below and determined that there is shortfall as at 31 March, 2012. The assumptions used in determining the present value of obligation of the interest rate guarantee under deterministic approach are :

	As at 31st March, 2012	As at 31st March, 2011
i) Remaining term of maturity	**7.8 Years**	8.01 Years
ii) Expected guaranteed interest rate	**8.25%**	9.50%
iii) Discount Rate for the remaining term of maturity of interest portfolio	**8.50%**	8.00%

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (continued) :

NOTE '10' : TANGIBLE ASSETS :

	Gross Block				Depreciation				Net Block	
	As at 31st March, 2011	Addition	Disposal	**As at 31st March, 2012**	As at 31st March, 2011	For the year	Disposal / Adjustments	**As at 31st March, 2012**	**As at 31st March, 2012**	As at 31st March, 2011
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Freehold Land	83,793,501	—	—	**83,793,501**	—	—	—	**—**	**83,793,501**	83,793,501
Leasehold Land	35,646,689	—	10,343,625	**25,303,064**	21,858,874	(b) 1,568,256	1,828,416	**21,598,714**	**3,704,350**	13,787,815
Buildings	391,702,107	5,088,017	—	**396,790,124**	95,216,058	12,545,153	—	**107,761,211**	**289,028,913**	296,486,049
Plant and Machinery	3,801,041,354	25,914,019	—	**3,826,955,373**	2,070,271,038	240,768,147	—	**2,311,039,185**	**1,515,916,188**	1,730,770,316
Office Equipment	1,580,096	35,842	—	**1,615,938**	1,169,434	256,529	—	**1,425,963**	**189,975**	410,662
Furniture and Fixtures	28,068,699	3,103,195	826,203	**30,345,691**	21,686,719	3,724,067	726,213	**24,684,573**	**5,661,118**	6,381,980
Vehicles	18,188,058	—	—	**18,188,058**	8,421,827	1,705,915	—	**10,127,742**	**8,060,316**	9,766,231
March 31, 2012 Total	**4,360,020,504**	**34,141,073**	**11,169,828**	**4,382,991,749**	**2,218,623,950**	**260,568,067**	**2,554,629**	**2,476,637,388**	**1,906,354,361**	2,141,396,554
March 31, 2011 Total	4,288,146,115	86,253,412	14,379,023	4,360,020,504	1,934,163,989	294,761,696	10,301,735	2,218,623,950	2,141,396,554	—

a) See Note '1', Statement of Significant Accounting Policies Clause 2.

b) Represents amortisation of premium paid on Leasehold Land over the lease period.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (continued) :

NOTE '11' : NON CURRENT INVESTMENTS :

				As at 31st March, 2012	As at 31st March, 2011
			₹	₹	₹
Trade Investments (valued at cost)					
UNQUOTED :					
In Equity Shares :					
	a)	Investment in Associates :			
—		(14,520,000) Fully paid Equity Shares of ₹ 10/- each of Bharat NRE Coke Limited	—		145,200,000
1,000,000		Fully paid Equity Shares of ₹ 10/- each of Kalyani Mukand Limited	**10,050,000**		10,050,000
1,000,000		Fully paid Equity Shares of ₹ 10/- each of Lord Ganesha Minerals Private Limited	**10,000,000**		10,000,000
	b)	Investment in Joint Venture :			
124,997		Fully paid Equity Shares of ₹ 10/- each of Hospet Steels Limited	**1,249,970**		1,249,970
				21,299,970	166,499,970
In Preference Shares :					
9,000,000	a)	Investment in Associates : 1% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each of Lord Ganesha Minerals Private Limited	**90,000,000**		90,000,000
57,600,000	b)	Investment in Others : 14% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each of Kalyani Investment Company Limited	**576,000,000**		576,000,000
				666,000,000	666,000,000
		TOTAL		**687,299,970**	832,499,970

NOTE '12' : LOANS AND ADVANCES :

	Long Term		Short Term	
	As at 31st March, 2012	As at 31st March, 2011	As at 31st March, 2012	As at 31st March, 2011
	₹	₹	₹	₹
LOANS AND ADVANCES				
(Unsecured, considered good, unless stated otherwise)				
Capital Advances :				
Secured, by a Bank Guarantee	**17,995,535**	34,507,409	—	—
Other advances	**222,337,213**	26,230,446	—	—
	240,332,748	60,737,855	—	—
Security Deposits	**39,930,334**	28,642,048	**31,957,282**	2,657,282
Loans and advances to related party (See Note '37') against supply of Iron Ore	**377,174,285**	345,051,475	—	—
Inter Corporate Loans : (See Note '12(a)')	**61,250,000**	61,250,000	**115,000,000**	115,000,000
Advances recoverable in cash or kind (See Note '12(b)')	**9,180,000**	9,180,000	**458,431,425**	144,654,277
Other loans and advances :				
Advance Income Tax (net of provision of taxation)	—	—	**15,953,788**	18,332,629
Loans to employees	—	—	**7,738,938**	9,961,020
Balance with Excise Department	—	—	**9,134,394**	8,953,739
TOTAL	**727,867,367**	504,861,378	**638,215,827**	299,558,947

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (continued) :

Note :

12 (a) Long term Inter Corporate Loans includes interest free loans aggregating ₹ 11,250,000/- (Previous Year ₹ 11,250,000/-) given to six private companies formed with the same purpose and obligation as the Six Employees Welfare Trusts under a Scheme in terms of Clause (b) of the proviso to Section 77(2) of the Companies Act, 1956.

12 (b) Long term advances recoverable in cash or kind represents interest free loans amounting to ₹ 9,180,000/- (Previous Year ₹ 9,180,000/-) to seven trusts connected with the welfare of employees.

		As at 31st March, 2012	As at 31st March, 2011
	₹	₹	₹
NOTE '13' : INVENTORIES :			
Raw materials, at cost (includes in transit ₹ 6,717,439/- (31st March, 2011 : ₹ 44,706,809/-)) (See Note '13(a)')		**316,851,718**	544,673,928
Finished Goods, at cost or market value whichever is lower (See Note '13(b)')	**580,476,853**		575,923,320
Scrap at estimated realisable value	**161,727,534**		107,133,911
		742,204,387	683,057,231
Stores, spares etc., at cost		**117,992,646**	124,661,767
TOTAL		**1,177,048,751**	1,352,392,926
Note '13(a)' Details of raw material inventory :			
Coke		**99,412,356**	301,886,233
Iron Ore		**138,183,174**	97,375,194
Coal (to be Converted into Coke)		**—**	80,484,397
Ferro Alloys		**54,779,514**	36,555,853
Others		**24,476,674**	28,372,251
TOTAL		**316,851,718**	544,673,928
Note '13(b)' Details of Finished Goods Inventory :			
Blooms & Rounds		**185,891,721**	370,494,162
Rolled Products		**385,923,896**	205,429,158
Others		**170,388,770**	107,133,911
TOTAL		**742,204,387**	683,057,231
NOTE '14' : TRADE RECEIVABLES :			
Unsecured, considered good unless stated otherwise :			
Outstanding for a period exceeding six months from the date they are due for payment :			
Unsecured, considered good	**19,672,248**		—
Doubtful	**12,079,966**		6,674,172
	31,752,214		6,674,172
Provision for doubtful debts	**12,079,966**		6,674,172
		19,672,248	—
Others :			
Secured, considered good	**161,947,213**		78,140,037
Unsecured, considered good	**1,802,735,554**		2,417,537,054
Doubtful	**—**		5,821,976
	1,964,682,767		2,501,499,067
Provision for doubtful debts	**—**		5,821,976
		1,964,682,767	2,495,677,091
TOTAL		**1,984,355,015**	2,495,677,091

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (continued) :

		As at 31st March, 2012	As at 31st March, 2011
	₹	₹	₹
NOTE '15' : CASH AND BANK BALANCES :			
A) Cash and Cash Equivalents :			
Cash on Hand	**153,380**		63,914
Bank Balances :			
In Current & Cash Credit Accounts	**184,768,407**		171,408,545
In Fixed Deposits (Less than three months maturities)	**200,000**		455,000
		185,121,787	171,927,459
B) Other Bank Balances :			
In Fixed Deposits (maturity more than 3 months but less than 12 months) pledged in favour of Government Authorities	**615,500**		615,500
Earmarked balances with Banks (Unclaimed Dividend)	**4,337,605**		3,689,938
		4,953,105	4,305,438
TOTAL		**190,074,892**	176,232,897
NOTE '16' : OTHER CURRENT ASSETS :			
Income receivable		**9,671,917**	27,884,093
Prepaid Expenses		**10,956,522**	6,285,380
Export Incentive Receivables		**5,550,021**	3,074,847
VAT Receivable		**45,770,165**	6,060,527
Amount receivable on account of transfer of Capital Asset		**10,300,000**	—
TOTAL		**82,248,625**	43,304,847

NOTE '17' : REVENUE FROM OPERATIONS :

		For the year ended 31st March, 2012	For the year ended 31st March, 2011
	₹	₹	₹
Sale of products			
Finished Goods	**8,822,531,206**		9,360,131,934
Traded Goods	**618,694,015**		2,510,947,049
	9,441,225,221		11,871,078,983
Job Work Sales	**1,952,570,073**		1,980,138,871
Scrap sales	**322,075,663**		336,037,477
	11,715,870,957		14,187,255,331
Less : Excise Duty	**2,013,128,360**		2,076,978,406
		9,702,742,597	12,110,276,925
Other Operating Revenue			
Income from Power Generation	**178,836,470**		252,667,297
Export Incentives received	**13,814,657**		5,272,941
		192,651,127	257,940,238
TOTAL		**9,895,393,724**	12,368,217,163

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (continued) :

		For the year ended 31st March, 2012 ₹	For the year ended 31st March, 2011 ₹
Details of products sold :			
Finished goods sold :			
Blooms and Rounds		**693,305,296**	843,289,124
Rolled Products		**8,129,225,910**	8,516,842,810
	TOTAL	**8,822,531,206**	9,360,131,934
Job Work Sales :			
Hot Metal & Pig Iron		**1,215,339,235**	1,179,621,479
Rolled Products		**737,230,838**	800,517,392
	TOTAL	**1,952,570,073**	1,980,138,871
Traded goods sold :			
Coal		**293,152,526**	1,681,324,972
Iron Ore		**198,271,299**	816,218,793
Rolled Products		**127,270,190**	12,491,774
Others		**—**	911,510
	TOTAL	**618,694,015**	2,510,947,049

NOTE '18' : OTHER INCOME :

Dividend :			
From Trade Investments		**80,640,000**	40,320,000
Others		**10,069,763**	3,697,236
		90,709,763	44,017,236
Interest from Deposits and Loans		**40,079,339**	42,882,978
Gain on Foreign Exchange, Net		**6,169,217**	3,437,191
Miscellaneous receipts		**77,153,128**	21,788,838
Profit on sale of assets		**1,896,443**	2,234
Sundry credit balances appropriated		**29,976**	3,915,154
Provision no longer required		**8,161,037**	50,864,111
	TOTAL	**224,198,903**	166,907,742

NOTE '19' : COST OF RAW MATERIAL CONSUMED :

Stock at commencement		**499,967,119**	519,362,893
Add : Purchases		**5,622,210,518**	5,854,126,434
		6,122,177,637	6,373,489,327
Less : Sale of Raw Material		**157,801,246**	28,397,750
Less : Stock at close		**310,134,279**	499,967,119
	TOTAL	**5,654,242,112**	5,845,124,458
Details of raw material consumed :			
Coke		**2,156,734,843**	2,028,425,796
Iron Ore		**1,703,217,218**	1,416,126,030
Coal (Converted into Coke)		**467,886,982**	1,045,050,326
Ferro Alloys		**611,745,078**	772,519,141
Others		**714,657,991**	583,003,165
	TOTAL	**5,654,242,112**	5,845,124,458

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (continued) :

Imported & Indigenous Raw Materials Consumed :	**For the year ended 31st March, 2012 ₹**	**Percentage**	For the year ended 31st March, 2011 ₹	Percentage
Imported (Direct Imports only)	**1,424,388,455**	**25%**	1,754,415,460	30%
Indigenous	**4,229,853,657**	**75%**	4,090,708,998	70%
TOTAL	**5,654,242,112**	**100%**	5,845,124,458	100%

	For the year ended 31st March, 2012 ₹	For the year ended 31st March, 2011 ₹
NOTE '20' : PURCHASES OF TRADED GOODS :		
Coal	**276,785,212**	1,599,271,322
Iron Ore	**198,271,196**	815,381,249
Blooms and rounds	**117,004,300**	10,660,519
Others	**—**	861,730
TOTAL	**592,060,708**	2,426,174,820
NOTE '21' : (INCREASE) / DECREASE IN INVENTORIES :		
Inventories at the end of the year		
Finished Goods	**580,476,853**	575,923,320
Scrap	**161,727,534**	107,133,911
	742,204,387	683,057,231
Inventories at the beginning of the year		
Finished Goods	**575,923,320**	417,730,230
Scrap	**107,133,911**	37,643,039
	683,057,231	455,373,269
TOTAL	**(59,147,156)**	(227,683,962)
NOTE '22' : EMPLOYEES BENEFITS EXPENSE :		
Salary, wages, bonus etc.	**305,935,040**	275,466,119
Contribution to Provident and other Funds etc.	**20,508,944**	14,815,361
Welfare expenses	**9,233,638**	10,043,598
TOTAL	**335,677,622**	300,325,078
NOTE '23' : FINANCE COSTS :		
Interest expenses	**156,039,222**	164,039,857
Other borrowings costs	**57,632,667**	46,361,762
Exchange Difference to the extent considered as an adjustment to borrowings costs	**88,378,212**	(7,095,479)
TOTAL	**302,050,101**	203,306,140
NOTE '24' : DEPRECIATION & AMORTISATION EXPENSES		
Leasehold land amortised	**1,568,256**	1,568,256
Depreciation	**258,999,811**	293,193,440
TOTAL	**260,568,067**	294,761,696

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (continued) :

		For the year ended 31st March, 2012 ₹	For the year ended 31st March, 2011 ₹
NOTE '25' : OTHER EXPENSES :			
Stores and spares consumed		**322,134,518**	327,227,076
Job work and Manufacturing Charges		**1,185,231,615**	1,275,201,248
Power and Fuel		**724,468,278**	697,971,870
Building and Road repairs		**7,201,584**	11,384,163
Machinery repairs		**21,980,743**	27,614,028
(Increase) / decrease of excise duty on Inventory		**8,890,907**	12,185,759
Rent		**1,694,025**	2,289,575
Rates & Taxes		**147,186**	321,084
Insurance (including Key Man Insurance)		**11,293,329**	8,929,694
Legal & Professional charges		**36,788,658**	20,066,422
Miscellaneous expenses		**111,761,429**	74,726,661
Donations		**1,300,000**	21,000,000
Freight Outward		**327,119,902**	383,516,239
Brokerage and Discount		**6,776,471**	10,521,915
Commission on sales		**7,608,031**	14,114,629
Payment to Auditor (Refer details below)		**4,327,106**	4,080,701
Directors' Fees and Travelling Expenses		**1,699,226**	1,045,653
Commission to Managing Director		**—**	5,222,585
Loss on Foreign Exchange Fluctuation		**—**	7,427,291
Loss on Assets sold or scrapped		**48,975**	1,983,258
Bad debts / advances written off		**23,435,389**	33,332,754
Facility Charges under Strategic Alliance		**60,591,155**	67,228,795
	TOTAL	**2,864,498,527**	3,007,391,400
Payment to Auditors :			
As Statutory Auditors		**3,000,000**	3,000,000
In Other capacity :			
Tax Audit Fee		**500,000**	500,000
Limited Review		**600,000**	300,000
Certification		**100,000**	240,000
		4,200,000	4,040,000
For expenses		**127,106**	40,701
	TOTAL	**4,327,106**	4,080,701

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (continued) :

	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
NOTE '26' : EARNINGS PER EQUITY SHARE :		
Earning per Share :		
(Face Value of ₹ 5/-)		
Net Profit after Taxation	**220,363,500**	547,037,990
Add / (Less) : Prior Period Adjustments	**—**	—
Net Profit after Prior Period Adjustments	**220,363,500**	547,037,990
Number of Shares Issued and Subscribed	**43,653,060**	43,653,060
Basic and Diluted	**5.05**	12.53

NOTE '27' : CONTINGENT LIABILITIES :

A. Contingent Liabilities not provided for in respect of :		
a) Claims against the Company not acknowledged as debts	**12,648,157**	12,648,157
b) Service Tax Demands - Matter under dispute	**1,182,269**	1,182,269

B. Mysore Minerals Limited had raised an illegitimate claim aggregating to ₹ 281,552,035/- for price of calibrated iron ore purchased by the Company over and above the agreed contracted price. The Company has repudiated the said claim as the same is in ultra-vires to the contract. The dispute has been referred to Arbitrator.

NOTE '28' : CAPITAL AND OTHER COMMITMENTS :

1 Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	**618,487,452**	180,144,792
2 Other Commitments on account of :		
Purchase of Raw Material through E-Auction	**113,369,760**	—
Supply of Gases - Minimum Take over Price	**103,724,874**	172,874,790
TOTAL	**835,582,086**	353,019,582

NOTE '29' : CIF VALUE OF IMPORTS :

CIF value of Imports :		
Direct imports only : (including goods in Bonded Warehouse, if any)		
Raw material :		
- Coke	**765,117,014**	584,674,194
- Coal	**449,292,824**	887,112,631
- Ferro Alloys	**125,905,801**	3,615,975
Goods Traded in :		
- Coal	**276,785,273**	1,557,654,227

In furnishing information under Note '19' and '29', the view has been taken that particulars are required only in respect of items that are incorporated in the Finished Goods produced and not for such material used for maintenance of Plant & Machinery.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (continued) :

	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
NOTE '30' : EXPENDITURE IN FOREIGN CURRENCY :		
Interest	**22,363,245**	27,214,887
Travelling	**111,077**	193,240
Commission & Brokerage	**3,642,550**	—
Others	**483,936**	98,980
NOTE '31' : EARNINGS IN FOREIGN CURRENCY :		
FOB value of Exports	**492,651,320**	195,117,491
NOTE '32' : EXCHANGE DIFFERENCES ON ACCOUNT OF FLUCTUATION IN FOREIGN CURRENCY RATES :		
i) Relating to Exports during the year as a part of "Sales" - (Gain) / Loss	**(5,455,411)**	1,606,512
ii) Recognised in Statement of Profit and Loss :		
a) On settlement / revolarisation of borrowings as part of "Finance Cost"	**114,481,582**	16,660,719
b) On open forward contracts at the close of the year as part of "Finance Cost"	**(26,103,370)**	(23,756,199)
c) On unrealised CER Income as a part of "Other Income / Other Expenses"	**15,049,758**	(996,846)
d) On settlement of other transactions as a part of "Other Income / Other Expenses"	**(21,218,974)**	(2,440,345)

NOTE '33' : FOREIGN EXCHANGE DERIVATIVES / FORWARD CONTRACTS HEDGED AND EXPOSURES NOT HEDGED AT CLOSE OF THE YEAR :

A) Foreign Exchange Derivatives / Forward Contracts hedged :

Nature of Contracts	Currency	Particulars	31st March, 2012	31st March, 2011
i) Forward Contracts	USD	Buyer's Credit	**12,737,912**	21,841,014
	USD	Sale	**4,777,500**	—
	USD	Interest	**1,327**	79,012

All derivatives / forward contracts stated above for the purpose of hedging the underlying foreign currency exposure.

B) Import / Exports not hedged :

Nature of Instrument	Currency	31st March, 2012	31st March, 2011
i) Buyer's Credit	USD	**2,900,000**	—
ii) Payables	USD	**655,171**	—
iii) Receivable	USD	**1,989,468**	1,191,140
iv) Receivable	GBP	**34,133**	—

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (continued) :

NOTE '34' : INFORMATION ON JOINT VENTURE :

i Jointly Controlled Entity :

Sr.	Name of the Company	Country of Incorporation	Percentage of ownership interest	
			2011-12	2010-11
1	Hospet Steels Limited	India	**49.99%**	49.99%

		2011-12 ₹	2010-11 ₹
ii	Share of the Company in the contingent liabilities incurred by jointly controlled entity	**—**	—
iii	Share of the Company in capital commitments which have been incurred jointly with the venture	**—**	—

iv Interest in Equity and Liabilities, Assets, Income and Expenses with respect to Jointly Controlled Entity are as below :

	As at 31st March, 2012 ₹	As at 31st March, 2011 ₹
Equity and Liabilities :		
Shareholders' Funds	**(3,297,081)**	(3,280,224)
Non Current Liabilities	**4,581,189**	5,007,175
Current Liabilities	**36,976,248**	42,166,898
Assets :		
Fixed Assets (net)	**6,825,769**	7,864,727
Deferred Tax Assets (net)	**1,618,746**	1,449,178
Long Term Loans & Advances	**4,702,644**	1,170,695
Current Assets	**25,113,197**	33,409,249

	2011-12 ₹	2010-11 ₹
Income :		
Other Income	**—**	32,021
Reimbursement of Expenses	**273,543,839**	263,872,669
Expenses :		
Employee Benefits expense	**173,589,079**	155,312,733
Other Expenses	**98,696,943**	107,531,730
Finance costs	**69,276**	102,788
Depreciation & amortisation expense	**1,212,933**	1,341,440
Provision for Taxation	**162,034**	153,358
Deferred Tax	**(169,569)**	(250,345)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012 (continued) :

NOTE '35' :

In the absence of balance confirmation, the balances in respect of a Government party are as per Books of Accounts only. Adjustments having an impact of revenue nature, if any, will be made in the year in which the same are confirmed and reconciled.

NOTE '36' :

Segment information has been set out in a separate statement annexed to the Financial Statements.

NOTE '37' :

Related party disclosures have been set out in a separate statement annexed to the Financial Statements. The related parties, as defined by Accounting Standard 18 'Related Party Disclosures' issued as prescribed by the Companies (Accounting Standard) Rules, 2006 in respect of which the disclosures have been made, have been identified on the basis of disclosures made by the key management persons and taken on record by the Board.

NOTE '38' :

Disclosures required as per Clause 32 of the Listing Agreement have been set out in a separate statement annexed to the Financial Statements.

NOTE '39' :

The Company has entered into agreements in the nature of lease / leave and license agreement with different lessors / licensors for the purpose of establishment of premises and accommodation of executives. These are generally in the nature of operating lease / leave and license and period of agreements is generally for one year and renewable / cancelable at the option of the lessee or lessor. In view of above there are no disclosures required as per Accounting Standard 19 'Leases' as prescribed by Companies (Accounting Standard) Rules, 2006.

NOTE '40' :

Previous Year Figures :

The Financial Statements for the year ended 31st March, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the Financial Statements for the year ended 31st March, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of Financial Statements.

As per our attached Report of even date

For DALAL & SHAH
Firm Registration No.102021W
Chartered Accountants

On behalf of the Board of Directors

Anish Amin Partner Membership No.40451	Mrs.D.R. Puranik Company Secretary	R.K. Goyal Managing Director	B.N. Kalyani Chairman
Pune Date : 26th May, 2012		Pune Date : 26th May, 2012	

ANNEXURE REFERRED TO IN NOTE '36' OF NOTES FORMING PART OF THE FINANCIAL STATEMENTS :

Disclosure of Segment information as required by AS 17 "Segment Reporting"

Sr. No.	Particulars		Year ended 31st March, 2012 ₹	Year ended 31st March, 2011 ₹
1	Segment Revenue :			
	a) Iron & Steel		**9,956,311,437**	12,264,535,670
	b) Power		**163,930,336**	253,664,143
	Net Sales / Income from operations		**10,120,241,773**	12,518,199,813
2	Segment Results :			
	Profit / (Loss) (before interest & tax from each segment)			
	a) Iron & Steel		**427,370,936**	725,914,844
	b) Power		**70,845,716**	171,971,805
	Total Profit before Interest & Tax		**498,216,652**	897,886,649
	Less :			
	a) Interest		**302,050,101**	203,306,140
	b) Other un-allocable expenditure net of un-allocable income		**(28,276,095)**	8,855,234
	Profit before Tax		**224,442,646**	685,725,275
3	Total carrying amount of Segment Assets :			
	a) Iron & Steel		**7,759,628,867**	7,682,380,824
	b) Power		**180,500,852**	234,587,612
	c) Un-allocable		**49,157,413**	52,057,011
		Total	**7,989,287,132**	7,969,025,447
4	Total amount of Segment Liabilities :			
	a) Iron & Steel		**3,391,382,833**	3,383,452,792
	b) Power		**6,325,146**	6,805,508
	c) Un-allocable		**55,072,285**	101,469,355
		Total	**3,452,780,264**	3,491,727,655
5	Capital Employed (Segment Assets - Segment Liabilities) :			
	a) Iron & Steel		**4,368,246,034**	4,298,928,032
	b) Power		**174,175,706**	227,782,104
	c) Un-allocable		**(5,914,872)**	(49,412,344)
		Total	**4,536,506,868**	4,477,297,792
6	Total Cost incurred during the year to acquire Segment Assets that are expected to be used during more than one period :			
	a) Iron & Steel		**34,047,360**	86,253,412
	b) Power		**93,713**	—
		Total	**34,141,073**	86,253,412
7	Depreciation :			
	a) Iron & Steel		**247,719,594**	281,286,767
	b) Power		**12,848,473**	13,474,929
		Total	**260,568,067**	294,761,696

ANNEXURE REFERRED TO IN NOTE '37' OF NOTES FORMING PART OF THE FINANCIAL STATEMENTS :

Disclosure of Transactions with Related Parties as required by the Accounting Standard 18 as prescribed by Companies (Accounting Standards) Rules, 2006 :

Name of the related party and nature of relationship	Nature of Transactions	2011-12		2010-11	
		Transaction Value	**Outstanding amount carried in the Balance Sheet**	Transaction Value	Outstanding amount carried in the Balance Sheet
		₹	₹	₹	₹
A) Associates :					
1. Kalyani Mukand Limited	Contribution to Equity (1,000,000 shares of ₹ 10 each)	**—**	**10,050,000**	—	10,050,000
2. Lord Ganesha Minerals Private Limited	Finance provided	**32,122,810**	**377,174,285**	110,681,010	345,051,475
	Contribution to Equity (1,000,000 shares of ₹ 10 each)	**—**	**10,000,000**	—	10,000,000
	Preference Shares (9,000,000 shares of ₹ 10 each)	**—**	**90,000,000**	—	90,000,000
3. Bharat NRE Coke Limited	Contribution to Equity (14,520,000 shares of ₹ 10 each) (Ceased to be Associate with effect from 31st December, 2011)	**—**	**—**	—	145,200,000
B) Joint Venture Hospet Steels Limited	Receiving of Services	**285,129,551**	**30,380,065**	293,881,501	28,131,149
	Contribution to Equity (124,997 shares of ₹ 10 each)	**—**	**1,249,970**	—	1,249,970
C) Companies under Common Control					
1. Bharat Forge Limited	Sales (net of rejections)	**4,278,593,233**	**823,183,499**	3,831,924,346	971,369,906
	Octroi Recovery	**6,073,741**	**—**	19,423,409	—
	Interest paid on Trade Advance	**22,561,644**	**—**	22,723,638	—
	Trade Advance received	**—**	**375,000,000**	—	375,000,000
2. Kalyani Carpenter Special Steels Limited	Sales (net of rejections)	**490,589,476**	**13,856,747**	517,145,277	20,104,839
	Purchases	**74,512,373**	**(49,118)**	19,387,173	5,602,835
	Conversion Charges paid	**14,016,343**	**—**	56,141,095	—
	Interest paid	**1,654,564**	**—**	—	—
	Reimbursement of Expenses paid	**8,092,131**	**—**	15,840,303	—
	Interest received on ICD	**5,013,698**	**—**	8,905,533	—
	Reimbursement of Expenses received	**1,302,615**	**—**	162,858	—
	Inter Corporate Loan paid	**—**	**50,000,000**	—	50,000,000
3. Kalyani Investment Company Limited	Dividend Received on 14% Preference Shares	**80,640,000**	**—**	40,320,000	—
	Reimbursement of Expenses received	**17,887,636**	**—**	9,947,748	—
	14% Preference Shares (57,600,000 shares of ₹ 10 each)	**—**	**576,000,000**	—	576,000,000
4. BF Investment Limited	Dividend Paid on equity shares	**34,104,742**	**—**	21,315,464	—
D) Key Managerial Personnel and their Relatives					
1. Mr.R.K Goyal Managing Director	Remuneration	**25,607,400**	**1,914,650**	8,767,826	3,749,300
2. Mr.C.G. Patankar Executive Director	Remuneration	**8,061,350**	**547,500**	11,819,660	4,297,500
Relatives					
1. Mrs.M.C. Patankar	Interest on Fixed Deposit	**—**	**—**	6,868	—

ANNEXURE REFERRED TO IN NOTE '38' OF NOTES FORMING PART OF THE FINANCIAL STATEMENTS :

Disclosures required as per Clause 32 of the Listing Agreement

Name of the Company	Loans and Advances				Investments	
	Amount outstanding as on		Maximum balance outstanding during the year		Amount outstanding as at	
	31st March, 2012	31st March, 2011	**2011-12**	2010-11	**31st March, 2012**	31st March, 2011
	₹	₹	**₹**	₹	**₹**	₹
Associates :						
Kalyani Mukand Limited	**—**	—	**—**	—	**10,050,000**	10,050,000
Hospet Steels Limited	**—**	—	**—**	—	**1,249,970**	1,249,970
Bharat NRE Coke Limited	**—**	—	**—**	—	**—**	145,200,000
Lord Ganesha Minerals Private Limited	**377,174,285**	345,051,475	**377,174,285**	345,051,475	**100,000,000**	100,000,000
Other Companies * $					Equity Share Capital held in Kalyani Steels Limited No. of Shares held	
Sprekelia Investment & Finance Limited	**2,500,000**	2,500,000	**2,500,000**	2,500,000	**83,960**	83,960
Oleander Investment & Finance Limited	**2,150,000**	2,150,000	**2,150,000**	2,150,000	**83,960**	83,960
Alocasia Investment & Finance Limited	**2,150,000**	2,150,000	**2,150,000**	2,150,000	**83,960**	83,960
Acorus Investment & Finance Limited	**2,000,000**	2,000,000	**2,000,000**	2,000,000	**83,960**	83,960
Khiphofia Investment & Finance Limited	**2,150,000**	2,150,000	**2,150,000**	2,150,000	**84,152**	84,152
Poinsettia Investment & Finance Limited	**—**	—	**—**	—	**50,998**	50,998
India International Limited	**300,000**	300,000	**300,000**	300,000	**—**	—
Advances in the nature of loans * $						
KSL Executive Welfare Share Option Trust I	**1,450,000**	1,450,000	**1,450,000**	1,450,000	**40,000**	40,000
KSL Executive Welfare Share Option Trust II	**1,450,000**	1,450,000	**1,450,000**	1,450,000	**40,000**	40,000
KSL Executive Welfare Share Option Trust III	**1,450,000**	1,450,000	**1,450,000**	1,450,000	**40,000**	40,000
KSL Executive Welfare Share Option Trust IV	**1,450,000**	1,450,000	**1,450,000**	1,450,000	**40,000**	40,000
KSL Executive Welfare Share Option Trust V	**1,450,000**	1,450,000	**1,450,000**	1,450,000	**40,000**	40,000
KSL Executive Welfare Share Option Trust VI	**930,000**	930,000	**930,000**	930,000	**25,000**	25,000
KSL Group Welfare Share Option Trust	**1,000,000**	1,000,000	**1,000,000**	1,000,000	**—**	—

Notes :

1. There are no loans and advances in the nature of loans, to firms / companies in which directors are interested.

* 2. No repayment schedule.

$ 3. Interest free.

KALYANI

DRIVING INNOVATION

KALYANI STEELS LIMITED

MUNDHWA, PUNE - 411 036
MAHARASHTRA, INDIA.

PRABODH 24477503