

KALYANI STEELS

CIN-L27104MH1973PLC016350

KSL:SEC:

October 24, 2019

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Fort, Mumbai – 400 001
Scrip Code : 500235

National Stock Exchange of India Limited

Exchange Plaza,
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051
Scrip Symbol : KSL

Dear Sir,

Sub. : Statement of Unaudited Financial Results for
the quarter and half year ended September 30, 2019

Please find enclosed herewith Statement of Unaudited Financial Results (Standalone and Consolidated) for the quarter and half year ended September 30, 2019, duly approved and taken on record by the Board of Directors of the Company at their meeting held today i.e. on October 24, 2019.

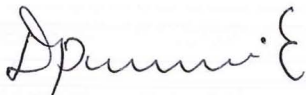
The "Limited Review Reports" issued by M/s. P.G. Bhagwat, Chartered Accountants, Pune, Statutory Auditors of the Company, with respect to the said results are also attached.

The Board Meeting commenced at 2.30 p.m. and concluded at 3.25 p.m.

Kindly take the aforesaid submissions on record.

Thanking you,

Yours faithfully,
For KALYANI STEELS LIMITED



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

Encl. : as above



KALYANI
GROUP COMPANY

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



KALYANI

KALYANI STEELS LIMITED

CIN : L27104MH1973PLC016350

Regd. Office : Mundhwa, Pune 411 036.

Phone : 020 66215000 , Fax : 020 26821124

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

**STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS
FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019**

(₹ in Million)

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year ended
		September 30, 2019 Unaudited	June 30, 2019 Unaudited	September 30, 2018 Unaudited	September 30, 2019 Unaudited	September 30, 2018 Unaudited	March 31, 2019 Audited
1	Revenue from Operations	3,032.08	3,434.49	3,860.07	6,466.57	7,105.62	14,065.79
2	Other Income	38.33	48.15	16.76	86.48	31.07	132.05
3	Total Income (1+2)	3,070.41	3,482.64	3,876.83	6,553.05	7,136.69	14,197.84
4	Expenses						
	(a) Cost of Materials Consumed	1,523.06	1,706.01	2,155.36	3,229.07	4,019.62	8,002.76
	(b) Purchases of stock-in-trade	193.76	85.78	-	279.54	2.22	86.24
	(c) Manufacturing Expense (See Note 5)	609.63	628.36	783.68	1,237.99	1,457.17	2,866.09
	(d) Changes in Inventories of finished goods, work-in-progress and stock-in-trade	(70.13)	105.84	35.32	35.71	(89.73)	(203.89)
	(e) Employee benefit expense	145.70	133.80	133.04	279.50	269.72	535.52
	(f) Finance Costs	23.04	20.84	15.02	43.88	26.85	66.25
	(g) Depreciation and amortisation expense	105.73	94.78	96.53	200.51	185.06	383.97
	(h) Other Expenses	187.48	156.94	225.86	344.42	408.35	655.10
	Total Expenses	2,718.27	2,932.35	3,444.81	5,650.62	6,279.26	12,392.04
5	Profit before exceptional items (3 - 4)	352.14	550.29	432.02	902.43	857.43	1,805.80
6	Exceptional Items	-	-	-	-	-	119.21
7	Profit before tax (5 + 6)	352.14	550.29	432.02	902.43	857.43	1,925.01
8	Tax Expenses						
	Current Tax	43.70	195.00	156.00	238.70	308.50	635.50
	Deferred Tax	(143.16)	(10.79)	(9.44)	(153.95)	(16.93)	(30.97)
	Total Tax Expenses (See Note 8)	(99.46)	184.21	146.56	84.75	291.57	604.53
9	Profit after tax (7 - 8)	451.60	366.08	285.46	817.68	565.86	1,320.48
10	Other Comprehensive Income, net of tax						
	A. Items that will not be reclassified to profit or loss	(0.58)	(0.44)	(0.25)	(1.02)	(0.50)	1.05
	B. Items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total Other Comprehensive Income, net of tax	(0.58)	(0.44)	(0.25)	(1.02)	(0.50)	1.05
11	Total Comprehensive Income (9+10)	451.02	365.64	285.21	816.66	565.36	1,321.53
12	Paid-up Equity Share Capital (excluding amount received on Forfeited Shares) (Face value ₹.5/-each, PY ₹. 5/- each)	218.64	218.64	218.64	218.64	218.64	218.64
13	Earnings Per Share : (of ₹ 5/- each) Basic and diluted (not annualised)	10.34	8.39	6.54	18.73	12.96	30.25



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Notes to the Financial Results:

1 Standalone Balance Sheet

(₹ in Million)

Sr. No.	Particulars	As at	As at
		September 30, 2019	March 31, 2019
		Unaudited	Audited
A	Assets :		
1	Non Current assets :		
	(a) Property, plant and equipment	4,329.51	4,203.12
	(b) Capital work-in-progress	41.92	50.88
	(c) Intangible assets	16.92	21.64
	(d) Investments in subsidiary and associate	-	-
	(e) Financial assets		
	i) Investments	1,616.01	1,624.39
	ii) Loans	69.95	68.88
	iii) Other financial assets	14.30	14.26
	(f) Current tax assets, (net)	21.99	2.65
	(g) Other non current assets	12.74	31.43
	Sub total - Non-current assets	6,123.34	6,017.25
2	Current assets :		
	(a) Inventories	1,395.92	1,544.30
	(b) Financial assets		
	i) Investments	238.65	2,035.72
	ii) Trade receivables	3,245.33	3,558.62
	iii) Cash and cash equivalents	2,823.62	378.56
	iii) Bank Balances other than (iii) above	7.51	5.66
	iv) Loans	0.43	0.49
	v) Other financial assets	59.40	97.58
	(c) Other current assets	101.28	135.22
	Sub total - Current assets	7,872.14	7,756.15
	Total assets	13,995.48	13,773.40
B	Equity and Liabilities :		
1	Equity :		
	(a) Equity share capital	218.64	218.64
	(b) Other equity		
	i) Reserves and surplus	9,063.94	8,510.43
	ii) Other reserves	176.61	176.61
	Sub total - Equity	9,459.19	8,905.68
2	Liabilities :		
	Non current liabilities :		
	(a) Provisions	43.53	39.13
	(b) Deferred tax liabilities (net)	317.94	472.24
	Sub total - Non-current liabilities	361.47	511.37
	Current Liabilities :		
	(a) Financial Liabilities :		
	(i) Trade payables	3,072.07	3,304.46
	(ii) Other financial liabilities	462.41	366.53
	(b) Provisions	34.61	21.80
	(c) Other current liabilities	599.87	632.80
	(d) Current tax liabilities (net)	5.86	30.76
	Sub total - current liabilities	4,174.82	4,356.35
	Total - Equity and liabilities	13,995.48	13,773.40

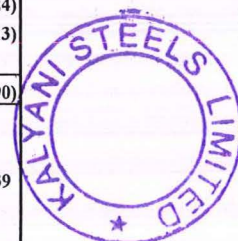


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2 Standalone Cash Flow Statement

(₹ in Million)

Sr. No.	Particulars	Half Year ended		Year ended
		September 30, 2019	September 30, 2018	March 30, 2019
		Unaudited	Unaudited	Audited
A	Cash flows from operating activities			
	Profit before tax	902.43	857.43	1,925.01
	Adjustments to reconcile profit before tax to net cash flows			
	Depreciation and amortisation	200.51	185.06	383.97
	Unrealised foreign exchange loss / (gain) / MTM etc,net	(12.89)	115.03	(62.89)
	Interest expense	43.88	26.85	66.25
	Dividend income	(37.58)	(27.01)	(76.03)
	Profit on sale of property, plant and equipment	(0.02)	(0.03)	(0.40)
	Interest from deposits and loans	(45.27)	(3.05)	(9.25)
	Provision written back	(1.97)	(46.20)	(73.58)
	Fair value loss on investments measured at FVTPL	8.38	(0.67)	(1.35)
	Fair value gain/loss (net) on derivatives not designated as hedges	-	1.67	3.24
	Cash Generated from Operations before working capital changes	1,057.47	1,109.08	2,154.97
	Adjustments for changes in working capital			
	(Increase) / Decrease in inventories	148.38	30.77	(427.62)
	(Increase) / Decrease in trade receivables	313.28	(374.80)	204.50
	(Increase) / Decrease in other current assets	75.64	54.18	(15.72)
	(Increase) / Decrease in loans	(1.01)	1.86	2.19
	Increase / (Decrease) in provisions	15.86	9.58	2.67
	Increase / (Decrease) in trade payables	(217.55)	1,031.78	1,590.27
	Increase / (Decrease) in other financial liabilities	1.84	1.40	(14.27)
	Increase / (Decrease) in other current liabilities	(32.93)	(10.57)	(31.61)
	Cash generated from operations	1,360.98	1,853.28	3,465.38
	Taxes paid (net of refunds)	(282.94)	(251.12)	(607.73)
	Net Cash from Operating activities (A)	1,078.04	1,602.16	2,857.65
B	Cash flows from investing activities			
	Purchase of property, plant and equipment	(110.62)	(87.11)	(220.13)
	(Purchase) / Sale of investments	1,795.18	(180.73)	(860.97)
	Dividend received	37.58	27.01	76.03
	Interest received	45.27	3.05	9.25
	Sale of assets property, plant and equipment	0.02	0.03	0.46
	Net cash flows from investing activities (B)	1,767.43	(237.75)	(995.36)
c	Cash flows from financing activities			
	Repayment of borrowings	(87.45)	(1,264.09)	(1,509.53)
	Interest paid	(49.83)	(23.78)	(41.24)
	Dividend paid	(263.13)	(263.13)	(263.13)
	Net cash flows from financing activities (C)	(400.41)	(1,551.00)	(1,813.90)
	Net increase / (decrease) in cash and cash equivalents (A + B + C)	2,445.06	(186.59)	48.39
	Add : Cash and cash equivalents at the beginning of the period	378.56	330.17	330.17
	Cash and cash equivalents at the end of the period	2,823.62	143.58	378.56



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Other Notes :

- 3 The above results have been reviewed by the Audit Committee, approved by the Board of Directors of the Company at its meeting held on October 24, 2019. The Statutory Auditors of the Company have carried out a "Limited Review" of the results for the quarter and half year ended September 30, 2019
- 4 The above results include the Company's proportionate share of income and expenditure in joint operation, namely Hospet Steels Limited.
- 5 Manufacturing expenses include stores and spares consumed, Job work manufacturing charges, power and fuel, repairs etc.
- 6 The Company manufactures Forging and Engineering quality carbon and alloy steels which is a single segment in accordance with Ind AS 108 - "Operating segment" notified pursuant to Companies (Indian Accounting Standards) Rules, 2015.
- 7 The financial statement has been prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 (the Act), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI).
- 8 Tax expenses for the quarter and half year ended September 30, 2019 reflect changes made vide Taxation Laws Amendment Ordinance 2019 as applicable to the Company. Therefore, effective tax rate of current quarter / half year is not comparable to previous quarter / half year / year ended.
- 9 Effective from April 1, 2019, the Company has adopted Ind AS 116 "Leases", however there has not been any material transitional impact on the financial results of the Company.
- 10 Previous quarter / half year / year figures have been regrouped and reclassified wherever necessary to make them comparable with current period.



For KALYANI STEELS LIMITED

R.K. Goyal

**R.K. Goyal
Managing Director**

Date : October 24, 2019

Place : Pune

To
The Board of Directors
Kalyani Steels Limited
Mundhwa, Pune – 411036

We have reviewed the accompanying statement of unaudited financial results of **Kalyani Steels Limited** (the "Company") for the quarter and half year ended 30 September 2019. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors which includes one Joint Operation Company on proportionate basis (Hereinafter referred to as the "Statement"). Our responsibility is to issue a report on these financial statements based on our review. Attention is drawn to the fact that the cash flow statement for the corresponding half year ended 30 September 2018, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.

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

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

Other matter

We did not review the financial results of one joint operations included in the statement on proportionate basis, whose results reflect total assets of Rs. 284.55 million as at 30 September 2019 and total revenues of Rs. Nil and Rs. Nil, total net profit / (loss) after tax of Rs. Nil and Rs. Nil and total comprehensive income/ loss of Rs. Nil and Rs. Nil for the quarter ended 30 September 2019 and for the half year ended 30 September 2019 respectively and cash flows (net) of Rs. (2.38) million for the half year ended 30 September 2019. These financial results have been reviewed by other auditor whose report has been furnished to us by the Management and our opinion on the statement the extent they have been derived from such financial results is based solely on the report of other auditor.



M/s P. G. BHAGWAT
CHARTERED ACCOUNTANTS

Our conclusion is not modified in respect of this matter.

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



Pritam Prajapati
Partner

Membership No. 135734
UDIN: L9135734AAAAEP9071

Place: Pune
Date: 24 October 2019



KALYANI STEELS LIMITED

CIN : L27104MH1973PLC016350

Regd. Office : Mundhwa, Pune 411 036.

Phone : 020 66215000 , Fax : 020 26821124

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

**STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS
FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019**

(₹ in Million)

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year ended
		Sept 30, 2019	June 30, 2019	Sept 30, 2018	Sept 30, 2019	Sept 30, 2018	March 31, 2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations	3,032.08	3,434.49	3,860.07	6,466.57	7,105.62	14,065.79
2	Other Income	38.32	48.18	16.75	86.50	31.49	132.47
3	Total Income (1+2)	3,070.40	3,482.67	3,876.82	6,553.07	7,137.11	14,198.26
4	Expenses						
	(a) Cost of Materials Consumed	1,523.06	1,706.01	2,155.36	3,229.07	4,019.62	8,002.76
	(b) Purchases of stock-in-trade	193.76	85.78	-	279.54	2.22	86.24
	(c) Manufacturing Expense (See Note 6)	609.63	628.36	783.68	1,237.99	1,457.17	2,866.09
	(d) Changes in Inventories of finished goods, work-in-progress and stock-in-trade	(70.13)	105.84	35.32	35.71	(89.73)	(203.89)
	(e) Employee benefit expense	145.70	133.80	133.05	279.50	269.76	535.56
	(f) Finance Costs	24.90	22.70	16.71	47.60	30.23	73.01
	(g) Depreciation and amortisation expense	105.78	94.84	96.60	200.62	185.20	384.23
	(h) Other Expenses	187.91	158.28	225.85	346.19	408.36	655.15
	Total Expenses	2,720.61	2,935.61	3,446.57	5,656.22	6,282.83	12,399.15
5	Profit before exceptional items (3 - 4)	349.79	547.06	430.25	896.85	854.28	1,799.11
6	Exceptional Items	-	-	-	-	-	119.21
7	Profit before tax (5 + 6)	349.79	547.06	430.25	896.85	854.28	1,918.32
8	Tax Expenses						
	Current Tax	43.70	195.00	156.01	238.70	308.51	635.50
	Deferred Tax	(143.16)	(10.79)	(9.44)	(153.95)	(16.93)	(30.97)
	Total Tax Expenses (See Note 9)	(99.46)	184.21	146.57	84.75	291.58	604.53
9	Profit after tax (7 - 8)	449.25	362.85	283.68	812.10	562.70	1,313.79
10	Other Comprehensive Income, net of tax						
	A. Items that will not be reclassified to profit or loss	(0.58)	(0.44)	(0.25)	(1.02)	(0.50)	1.05
	B. Items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total Other Comprehensive Income, net of tax	(0.58)	(0.44)	(0.25)	(1.02)	(0.50)	1.05
11	Total Comprehensive Income (9+10)	448.67	362.41	283.43	811.08	562.20	1,314.84
12	Profit attributable to :						
	Equity holders of parent	451.32	365.12	284.55	816.44	564.35	1,317.17
	Non-controlling interest	(2.07)	(2.27)	(0.87)	(4.34)	(1.65)	(3.38)
13	Other Comprehensive Income attributable to :						
	Equity holders of parent	(0.58)	(0.44)	(0.25)	(1.02)	(0.50)	1.05
	Non-controlling interest	-	-	-	-	-	-
14	Total Comprehensive Income attributable to :						
	Equity holders of parent	450.74	364.68	284.30	815.42	563.85	1,318.22
	Non-controlling interest	(2.07)	(2.27)	(0.87)	(4.34)	(1.65)	(3.38)
15	Paid-up Equity Share Capital (excluding amount received on Forfeited Shares) (Face value ₹.5/-each, PY ₹. 5/- each)	218.64	218.64	218.64	218.64	218.64	218.64
16	Earnings Per Share : (of ₹ 5/- each) Basic and diluted (not annualised)	10.34	8.36	6.52	18.70	12.93	30.17



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Notes to the Financial Results:

1 Consolidated Balance Sheet

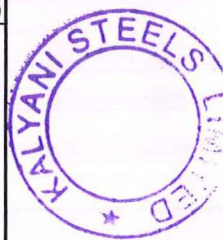
(₹ in Million)

Sr. No.	Particulars	As at Sept 30, 2019 Unaudited	As at March 31, 2019 Audited
A	Assets :		
1	Non Current assets :		
	(a) Property, plant and equipment	4,330.27	4,203.93
	(b) Capital work-in-progress	64.97	74.18
	(c) Intangible assets	16.92	21.64
	(d) Investments in subsidiary and associate	-	-
	(e) Financial assets		
	i) Investments	1,552.16	1,551.42
	ii) Loans	69.99	68.92
	iii) Other financial assets	14.30	14.26
	(f) Current tax assets, (net)	21.99	2.65
	(g) Other non current assets	61.23	90.79
	Sub total - Non-current assets	6,131.83	6,027.79
2	Current assets :		
	(a) Inventories	1,395.92	1,544.30
	(b) Financial assets		
	i) Investments	238.65	2,035.72
	ii) Trade receivables	3,245.33	3,558.62
	iii) Cash and cash equivalents	2,824.53	379.49
	iv) Bank Balances other than (iii) above	7.51	5.66
	v) Loans	0.43	0.49
	vi) Other financial assets	59.40	97.58
	(c) Other current assets	105.51	139.45
	Sub total - Current assets	7,877.28	7,761.31
	Total assets	14,009.11	13,789.10
B	Equity and Liabilities :		
1	Equity :		
	(a) Equity share capital	218.64	218.64
	(b) Other equity		
	i) Reserves and surplus	9,059.05	8,506.77
	ii) Other reserves	176.61	176.61
	Sub total - Equity	9,454.30	8,902.02
	Non Controlling Interest	(59.59)	(55.06)
	Total - Equity	9,394.71	8,846.96
2	Liabilities :		
	Non current liabilities :		
	(a) Financial Liabilities :		
	(i) Borrowings	78.10	74.38
	(b) Provisions	43.53	39.13
	(c) Deferred tax liabilities (net)	317.94	472.24
	Sub total - Non-current liabilities	439.57	585.75
	Current Liabilities :		
	(a) Financial Liabilities :		
	(i) Trade payables	3,072.08	3,304.50
	(ii) Other financial liabilities	462.41	366.53
	(b) Provisions	34.61	21.80
	(c) Other current liabilities	599.87	632.80
	(d) Current tax liabilities (net)	5.86	30.76
	Sub total - current liabilities	4,174.83	4,356.39
	Total - Equity and liabilities	14,009.11	13,789.10



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Sr. No.	Particulars	Half Year ended		Year ended
		September 30, 2019	September 30, 2018	March 30, 2019
		Unaudited	Unaudited	Audited
A	Cash flows from operating activities			
	Profit before tax	896.85	854.28	1,918.32
	Adjustments to reconcile profit before tax to net cash flows			
	Depreciation and amortisation	200.62	185.20	384.23
	Unrealised foreign exchange loss / (gain) / MTM etc, net	(12.89)	115.03	(62.89)
	Interest expense	47.60	30.23	73.01
	Dividend income	(37.58)	(27.01)	(76.03)
	Profit on sale of property, plant and equipment	(0.02)	(0.06)	(0.43)
	Interest from deposits and loans	(45.27)	(3.44)	(9.64)
	Provision written back	(1.97)	(46.20)	(73.58)
	Fair value loss on investments measured at FVTPL	(0.74)	(0.67)	(1.35)
	Fair value gain/loss (net) on derivatives not designated as hedges	-	1.67	3.24
	Receivables provided for / written off (net)	10.87	-	-
	Cash Generated from Operations before working capital changes	1,057.47	1,109.03	2,154.88
	Adjustments for changes in working capital			
	(Increase) / Decrease in inventories	148.38	30.77	(427.62)
	(Increase) / Decrease in trade receivables	313.28	(374.80)	204.50
	(Increase) / Decrease in other current assets	75.65	54.26	(15.73)
	(Increase) / Decrease in loans	(1.01)	1.86	2.19
	Increase / (Decrease) in provisions	15.86	9.58	2.67
	Increase / (Decrease) in trade payables	(217.79)	1,031.52	1,589.97
	Increase / (Decrease) in other financial liabilities	1.84	1.40	(14.27)
	Increase / (Decrease) in other current liabilities	(32.93)	(10.57)	(31.61)
	Cash generated from operations	1,360.75	1,853.05	3,464.98
	Taxes paid (net of refunds)	(282.94)	(250.48)	(607.09)
	Net Cash from Operating activities (A)	1,077.81	1,602.57	2,857.89
B	Cash flows from investing activities			
	Purchase of property, plant and equipment	(110.43)	(87.24)	(220.10)
	(Purchase) / Sale of investments	1,795.18	(180.73)	(860.97)
	Dividend received	37.58	27.01	76.03
	Interest received	45.29	3.44	9.64
	Sale of assets property, plant and equipment	0.02	0.06	0.49
	Net cash flows from investing activities (B)	1,767.64	(237.46)	(994.91)
C	Cash flows from financing activities			
	Repayment of borrowings	(83.73)	(1,260.70)	(1,502.76)
	Interest paid	(53.55)	(27.17)	(48.00)
	Dividend paid	(263.13)	(263.13)	(263.13)
	Net cash flows from financing activities (C)	(400.41)	(1,551.00)	(1,813.89)
	Net increase / (decrease) in cash and cash equivalents (A + B + C)	2,445.04	(185.89)	49.09
	Add : Cash and cash equivalents at the beginning of the period	379.49	330.40	330.40
	Cash and cash equivalents at the end of the period	2,824.53	144.51	379.49



[Handwritten Signature]

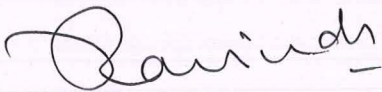
Other Notes :

- 3 The above results have been reviewed by the Audit Committee, approved by the Board of Directors of the Company at its meeting held on October 24, 2019. The Statutory Auditors of the Company have carried out a "Limited Review" of the results for the quarter ended September 30, 2019.
- 4 The consolidated financial statements include results of subsidiary. The names, country of incorporation or residence , proportion of ownership interest and reporting dates are as under :

Name of the Company	Country of Incorporation	Parent's ultimate holding as on September 30, 2019	Financial Year ends on
Subsidiary :			
Lord Ganesha Minerals Private Limited	India	77.50%	March 31, 2019

- 5 The above results include the Company's proportionate share of income and expenditure in joint operation, namely Hospet Steels Limited.
- 6 Manufacturing expenses include stores and spares consumed, Job work manufacturing charges, power and fuel, repairs etc.
- 7 The Company manufactures Forging and Engineering quality carbon and alloy steels which is a single segment in accordance with Ind AS 108 - "Operating segment" notified pursuant to Companies (Indian Accounting Standards) Rules, 2015.
- 8 The financial results has been prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act,2013 (the Act), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI).
- 9 Tax expenses for the quarter and half year ended Septemehr 30,2019 reflect changes made vide Taxation Laws Amendment Ordinance 2019 as applicable to the Company. Therefore, effective tax rate of current quarter / half year is not comparable to previous quarter / half year / year ended.
- 10 Effective April 1, 2019, the Group has adopted Ind AS 116 "Leases", however there has not been any material transitional impact on the financial results of the Group.
- 11 Previous quarter / year figures have been regrouped and reclassified wherever necessary to make them comparable with current period.

**For KALYANI STEELS LIMITED**


R.K. Goyal
Managing Director

Date : October 24, 2019**Place : Pune**

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

To
The Board of Directors
Kalyani Steels Limited
Mundhwa, Pune – 411036

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Kalyani Steels Limited ("the Parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group"), and its share of the net (loss) after tax and total comprehensive (loss) of its subsidiary for the quarter and half year ended September 2019 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended which includes one Joint Operation Company consolidated on a proportionate basis with Parent company ("the Statement"). Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended and half year ended 30 September 2018, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



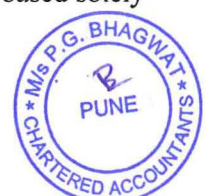
We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:
 - a. One subsidiary: Lord Ganesha Minerals Private Limited
 - b. One joint operation: Hospet Steels Limited

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

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial statements /financial information/ financial results of one joint operations included in the standalone unaudited financial results of the entities included in the Group, whose results reflect total assets of Rs. 284.55 million as at 30 September 2019 and total revenues of Rs. Nil and Rs. Nil, total net profit / (loss) after tax of Rs. Nil and Rs. Nil and total comprehensive income/ loss of Rs. Nil and Rs. Nil for the quarter ended 30 September 2019 and for the half year ended 30 September 2019 respectively, and cash flows (net) of Rs. (2.38) million for the half year ended 30 September 2019, as considered in the respective standalone unaudited financial results of the entities included in the Group. The interim financial statements/ financial information / financial results of joint operation have been reviewed by the other auditor whose reports have been furnished to us, and our conclusion in so far as it relates to the amounts and disclosures included in respect of joint operation, is based solely on the report of other auditors and the procedures performed by us as stated in paragraph 3 above.

We did not review the interim financial statements / financial information / financial results of one subsidiary included in the consolidated unaudited financial results, whose interim financial statements / financial information / financial results reflect total assets of Rs. 77.71 million as at 30 September 2019 and total revenues of Rs. Nil and Rs. 0.02 million, total net (loss) after tax of Rs. (9.22) million and Rs. (19.29) million and total comprehensive (loss) of Rs. (9.22) million and Rs. (19.29) million, for the quarter ended 30 September 2019 and for the half year ended 30 September 2019, respectively, and cash flows (net) of Rs. (0.89) million for the half year ended 30 September 2019, as considered in the consolidated unaudited financial results. These interim financial statements / financial information / financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely



M/s P. G. BHAGWAT
CHARTERED ACCOUNTANTS

on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

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

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

Pritam Prajapati
Partner

Membership No. 135734
UDIN: 19135734AAAAEQ9103

Place: Pune
Date: 24 October 2019