

KALYANI STEELS

CIN-L27104MH1973PLC016350

KSL:SEC:

August 7, 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 ended June 30, 2019

Please find enclosed herewith Statement of Unaudited Financial Results (Standalone and Consolidated) for the quarter ended June 30, 2019, duly approved and taken on record by the Board of Directors of the Company at their meeting held today i.e. on August 7, 2019.

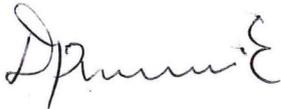
The "Limited Review Reports" issued by M/s. P.G. Bhagwat, Chartered Accountants, Pune, Statutory Auditors of the Company, with respect to the said results are also attached.

The Board Meeting commenced at 12.00 Noon and concluded at 1.20 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

CIN : L27104MH1973PLC016350

Regd. Office : Mundhwa, Pune 411 036.

Phone : 020 66215000 , Fax : 020 26821124

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

KALYANI

**STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS
FOR THE QUARTER ENDED JUNE 30, 2019**

(₹ in Million)

Sr. No.	Particulars	Quarter Ended			Year ended
		June 30, 2019 Unaudited	March 31, 2019 Unaudited (See Note 6)	June 30, 2018 Unaudited	March 31, 2019 Audited
1	Revenue from Operations	3,434.49	3,219.79	3,245.55	14,065.79
2	Other Income	48.15	89.24	14.31	132.05
3	Total Income (1+2)	3,482.64	3,309.03	3,259.86	14,197.84
4	Expenses				
	(a) Cost of Materials Consumed	1,706.01	1,696.59	1,864.26	8,002.76
	(b) Purchases of stock-in-trade	85.78	56.16	2.22	86.24
	(c) Manufacturing Expense (See Note 3)	628.36	621.75	673.49	2,866.09
	(d) Changes in Inventories of finished goods, work-in-progress and stock-in-trade	105.84	2.34	(125.05)	(203.89)
	(e) Employee benefit expense	133.80	129.58	136.68	535.52
	(f) Finance Costs	20.84	23.34	11.83	66.25
	(g) Depreciation and amortisation expense	94.78	103.24	88.53	383.97
	(h) Other Expenses	156.94	168.41	182.50	655.10
	Total Expenses	2,932.35	2,801.41	2,834.46	12,392.04
5	Profit before exceptional items (3 - 4)	550.29	507.62	425.40	1,805.80
6	Exceptional Items	-	56.07	-	119.21
7	Profit before tax (5 + 6)	550.29	563.69	425.40	1,925.01
8	Tax Expenses				
	Current Tax	195.00	157.00	152.50	635.50
	Deferred Tax	(10.79)	(1.89)	(7.49)	(30.97)
	Total Tax Expenses	184.21	155.11	145.01	604.53
9	Profit after tax (7 - 8)	366.08	408.58	280.39	1,320.48
10	Other Comprehensive Income, net of tax				
	A. Items that will not be reclassified to profit or loss	(0.44)	1.80	(0.25)	1.05
	B. Items that will be reclassified to profit or loss	-	-	-	-
	Total Other Comprehensive Income, net of tax	(0.44)	1.80	(0.25)	1.05
11	Total Comprehensive Income (9+10)	365.64	410.38	280.14	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
13	Earnings Per Share : (of ₹ 5/- each) Basic and diluted (not annualised)	8.39	9.36	6.42	30.25

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- 1 The above results have been reviewed by the Audit Committee, approved by the Board of Directors of the Company at its meeting held on August 07, 2019. The Statutory Auditors of the Company have carried out a "Limited Review" of the results for the quarter ended June 30, 2019.
- 2 The above results include the Company's proportionate share of income and expenditure in joint operation, namely Hospet Steels Limited.
- 3 Manufacturing expenses include stores and spares consumed, Job work manufacturing charges, power and fuel, repairs etc.
- 4 The Company manufactures Forging and Engineering quality carbon and alloy steels which is a single segment in accordance with Ind AS 108 - "Operating segment" notified pursuant to Companies (Indian Accounting Standards) Rules, 2015.
- 5 The financial 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).
- 6 The figures for the quarter ended March 31,2019 are the balancing figures between the audited figures in respect of the full financial year and unaudited published figures upto the third quarter for the respective year. Also the figures upto the third quarter had been reviewed and not subject to audit.
- 7 Effective from April 1, 2019, the Company has adopted Ind AS 116 "Leases", however there has not been any material transitional impact on the financial results of the Company.
- 8 Previous quarter / 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 : August 07, 2019
Place : Pune

M/s P. G. BHAGWAT
CHARTERED ACCOUNTANTS

HEAD OFFICE

Suites 101 - 102, 'Orchard',
Dr. Pai Marg, Baner,
Pune - 411045.

Tel.: 020 - 27290771, 27291772, 27291773

Email : pgb@pgbhagwatca.com

Web : www.pgbhagwatca.com

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 ended 30 June 2019. This statement is the responsibility of the Company’s Management and has been approved by the Board of Directors which includes one Joint Operation Company on proportionate basis (Hereinafter referred to as the “Statement”). Our responsibility is to issue a report on these financial statements based on our review.

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

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



M/s P. G. BHAGWAT
CHARTERED ACCOUNTANTS

Other matter

We did not review the financial results of one joint operation included in the statement on proportionate basis, which constitute total assets of Rs. 280.69 million and net assets of Rs. (5.24) million as at 30 June 2019, total revenue of Rs. Nil, and net profit Rs. Nil for the quarter ended 30 June 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.

Our conclusion is not qualified 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: 19135734AAAACF4137

Place: Pune
Date: 07 August 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

KALYANI

**STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS
FOR THE QUARTER ENDED JUNE 30, 2019**

(₹ in Million)

Sr. No.	Particulars	Quarter Ended			Year ended
		June 30, 2019 Unaudited	March 31, 2019 Unaudited (See Note 7)	June 30, 2018 Unaudited	March 31, 2019 Audited
1	Revenue from Operations	3,434.49	3,219.79	3,245.55	14,065.79
2	Other Income	48.18	89.24	14.74	132.47
3	Total Income (1+2)	3,482.67	3,309.03	3,260.29	14,198.26
4	Expenses				
	(a) Cost of Materials Consumed	1,706.01	1,696.59	1,864.26	8,002.76
	(b) Purchases of stock-in-trade	85.78	56.16	2.22	86.24
	(c) Manufacturing Expense (See Note 4)	628.36	621.75	673.49	2,866.09
	(d) Changes in Inventories of finished goods, work-in-progress and stock-in-trade	105.84	2.34	(125.05)	(203.89)
	(e) Employee benefit expense	133.80	129.59	136.71	535.56
	(f) Finance Costs	22.70	25.03	13.52	73.01
	(g) Depreciation and amortisation expense	94.84	103.30	88.60	384.23
	(h) Other Expenses	158.28	168.42	182.51	655.15
	Total Expenses	2,935.61	2,803.18	2,836.26	12,399.15
5	Profit before exceptional items (3 - 4)	547.06	505.85	424.03	1,799.11
6	Exceptional Items	-	56.07	-	119.21
7	Profit before tax (5 + 6)	547.06	561.92	424.03	1,918.32
8	Tax Expenses				
	Current Tax	195.00	157.00	152.50	635.50
	Deferred Tax	(10.79)	(1.89)	(7.49)	(30.97)
	Total Tax Expenses	184.21	155.11	145.01	604.53
9	Profit after tax (7 - 8)	362.85	406.81	279.02	1,313.79
10	Other Comprehensive Income, net of tax				
	A. Items that will not be reclassified to profit or loss	(0.44)	1.80	(0.25)	1.05
	B. Items that will be reclassified to profit or loss	-	-	-	-
	Total Other Comprehensive Income, net of tax	(0.44)	1.80	(0.25)	1.05
11	Total Comprehensive Income (9+10)	362.41	408.61	278.77	1,314.84
12	Profit attributable to :				
	Equity holders of parent	365.12	407.67	279.80	1,317.17
	Non-controlling interest	(2.27)	(0.86)	(0.78)	(3.38)
13	Other Comprehensive Income attributable to :				
	Equity holders of parent	(0.44)	1.80	(0.25)	1.05
	Non-controlling interest	-	-	-	-
14	Total Comprehensive Income attributable to :				
	Equity holders of parent	364.68	409.47	279.55	1,318.22
	Non-controlling interest	(2.27)	(0.86)	(0.78)	(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
16	Earnings Per Share : (of ₹ 5/- each) Basic and diluted (not annualised)	8.36	9.36	6.41	30.17

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- 1 The above results have been reviewed by the Audit Committee, approved by the Board of Directors of the Company at its meeting held on August 07, 2019. The Statutory Auditors of the Company have carried out a "Limited Review" of the results for the quarter ended June 30, 2019.
- 2 The consolidated financial statements include results of subsidiary. The names, country of incorporation or residence , proportion of ownership interest and reporting dates are as under :

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

- 3 The above results include the Company's proportionate share of income and expenditure in joint operation, namely Hospet Steels Limited.
- 4 Manufacturing expenses include stores and spares consumed, Job work manufacturing charges, power and fuel, repairs etc.
- 5 The Company manufactures Forging and Engineering quality carbon and alloy steels which is a single segment in accordance with Ind AS 108 - "Operating segment" notified pursuant to Companies (Indian Accounting Standards) Rules, 2015.
- 6 The financial results has been prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act,2013 (the Act), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI).
- 7 The figures for the quarter ended March 31, 2019 are the balancing figures between the audited figures in respect of the full financial year and unaudited published figures upto the third quarter for the respective year. Also the figures upto the third quarter had been reviewed and not subject to audit.
- 8 Effective April 1, 2019, the Group has adopted Ind AS 116 "Leases", however there has not been any material transitional impact on the financial results of the Group.
- 9 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 : August 07, 2019
Place : Pune

Independent Auditor's Review Report on consolidated unaudited quarterly 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 ended 30 June 2019, 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 30 June 2018, as reported in these financial results 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:
- One subsidiary: Lord Ganesha Minerals Private Limited
 - 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 operation included in the standalone unaudited financial results of the entities included in the Group, whose results reflect total assets of Rs.280.69 million as at 30 June 2019 and total revenues of Rs. Nil, total net loss after tax of Rs. Nil and total comprehensive loss of Rs. Nil for the quarter ended 30 June 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 other auditors 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.



M/s P. G. BHAGWAT
CHARTERED ACCOUNTANTS

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. 88.67 million as at 30 June 2019 and total revenues of Rs.0.03 million total net loss after tax of Rs. 10.07 million and total comprehensive loss of Rs. 10.07 million, as considered in the consolidated unaudited financial results. This 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 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: 19135734AAAACG2974

Place: Pune
Date: 07 August 2019