

KALYANI STEELS

KSL:SEC:

Date : 30th October, 2013

The Manager,
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051

Dear Sir,

**Re : Half yearly communication for dissemination to debenture holders
(In Compliance to Listing Agreement)**

With reference to the above, we submit herewith the information and documents as per the provisions of SEBI (Issue & Listing of Debt Securities) Regulations, 2008 and SEBI (Issue & Listing of Debt Securities) (Amendment) Regulations, 2012 and the Listing Agreement thereunder, for dissemination to the debenture holders as mentioned below :

1. Following issues of Non-Convertible Debentures have been listed with your Stock Exchange:

Details of listed NCDs:

Debenture Series No.	Date of Allotment	Date of Listing	No. of NCDs	Face Value (Rs. In Cr.)	Amt. of Issue (Rs.in Cr.)	Latest Credit Rating
Seventeenth Series	16.01.2009	18.03.2009	550	18.33	55.00	ICRA A +

2. The latest Credit Rating in respect of the said issues is mentioned in the statement under Sr. No.1 above and we confirm that credit rating is not downgraded in respect of any of the above issues, since the respective dates of the said NCDs issues.
3. The said NCDs are secured by hypothecation of all movable plant and machinery, spares etc. in all factories of company at Ginigera (Karnataka) or wherever situated and mortgage of the Company's immovable properties situated at Ginigera (Karnataka).
4. The asset cover is 2.13 times as on 30.09.2013 and is adequate as per the terms of issue. (Copy of the Certificate M/s P.G. Bhagwat, Chartered Accountants, and Statutory Auditors of the Company is enclosed herewith as Annexure – I).
5. The Debt Equity Ratio is 0.47 as on 30th September, 2013.
6. The due date of payment of principal and interest and the actual date of payment for the half-year ended 30.09.2013 are as under :

Details of redemption & payment of interest during last half year ending 30.09.2013 :

Series	Type (Principal / Interest)	Due date of payment	Amount (Rs.)	Actual date of payment
Seventeenth Series	Interest	16.04.2013	5,587,899.54	16.04.2013
		16.07.2013	5,713,470.32	16.07.2013



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7. The due date of principal and interest of the above said NCDs during next half-year i.e. 01.10.2013 to 31.03.2014 are as under :

Details of redemption & interest due in the next half-year :

Series	Type (Principal / Interest)	Due date of payment	Amount (Rs.)
Seventeenth Series	Interest	17-10-2013	5,839,041.10*
		16-01-2014	5,713,470.32
	Redemption	16-01-2014	183,333,334.00

*Paid on 17-10-2013

Company does not expect default in payment of principal / interest due in next half year.

8. The financial results for the half year ended 30.09.2013 are attached as per the format in Annexure – II of the Listing Agreement.
9. No event as detailed in Clause 19 of the Listing Agreement has taken place during half year ended on 30.09.2013, requiring this company to notify to Stock Exchange or Debenture Trustees.
10. The name, designation and contact details of "Compliance Officer" of this company are as under :
- (A) Name of Compliance Officer : Mrs. Deepti R. Puranik
(B) Designation : Company Secretary
(C) Correspondence Address : Corporate Building, 2nd floor, Mundhwa, Pune-36
(D) Phone, Fax No. : 020-66215000 FAX – 020-26821124
(E) Email ID : puranik@kalyanisteels.com
11. We confirm that the information submitted as above is true and correct and the undersigned has authority to submit the same to you and that we are aware that above information is expected to be placed on the website of your Stock Exchange and that of Debenture Trustees.

Thanking you,

Yours sincerely,
For KALYANI STEELS LIMITED



MRS. DEEPTI R. PURANIK
COMPANY SECRETARY

Countersigned by :



For GDA Trusteeship Ltd.
Debenture Trustees



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KSL:SEC:

Date : 30th October, 2013

GDA Trusteeship Ltd.
GDA House,
Plot No.85, Bhusari Colony (Right),
Kothrud, Pune – 411 038

Dear Sir,

Re : Details of Complaints – Status as on 30.09.2013

With reference to your email dt. 7th October, 2013 on the captioned subject, we submit the information as follows :

A) Status of Investor Grievance :

No. of Complaints pending at the end of previous half-year (31.03.2013)	No. of Complaints received during the half-year (01.04.2013 to 30.09.2013)	No. of Complaints resolved during the half-year
----- NIL -----	----- NIL -----	----- NIL -----

B) Details of complaints pending for more than 30 days :

No. of Complaints pending for more than 30 days	Nature of complaints			Steps taken for redressal	Status of complaint (if redressed, date of redressal)
	Delay in payment of interest	Delay in payment of redemption	Any other		
----- NIL -----					

Yours sincerely,
For KALYANI STEELS LIMITED



MRS.DEEPTI R. PURANIK
COMPANY SECRETARY



KALYANI
GROUP COMPANY

KALYANI STEELS

KSL:SEC:

Date : 30th October, 2013

GDA Trusteeship Ltd.
GDA House,
Plot No.85, Bhusari Colony (Right),
Kothrud, Pune – 411 038

Declaration

We hereby certify and declare that -

- (A) the proceeds the respective issues of NCDs of the Company, were utilized for the purpose as mentioned in the respective Information Memorandum of the respective issues;
- (B) the Cash-Flow of the Company is adequate for payment of interest and redemption of principal of the NCDs issued;
- (C) the adequate amount of 'Debenture Redemption Reserve' as prescribed by the Companies Act, 1956 is created from time to time;
- (D) as on date, the value of the assets charged to the GDA Trusteeship Ltd. (erstwhile GDA Trustee & Consultancy Ltd.), the Debenture Trustees in respect of Non-Convertible Debentures issued from time to time by this Company in pursuance of the Trust Deeds executed by this Company, is adequate to cover the outstanding amount of the NCDs / Bonds, with the agreed margin and that the assets are free from encumbrances debts save and except those specifically agreed to by the Debenture Trustee;
- (E) we have complied with all the terms and conditions of each of the issues as well as all the provisions of Laws, Rules and Regulations including Securities Contract Act & Rules and guidelines of SEBI;
- (F) there are no events / change / action / proceedings / attachments affecting or likely to affect the interest of NCD-holders.

For KALYANI STEELS LIMITED



MRS.DEEPTI R. PURANIK
COMPANY SECRETARY



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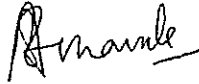
M/S P.G.BHAGWAT
Chartered Accountants

CERTIFICATE

We, hereby certify that the Fixed Assets Coverage Ratio as at 30th September 2013 as per Audited Books of Accounts of Kalyani Steels Limited, Mundhwa Pune is 2.13 times as under.

Sr. No.	Particulars	(Rs. Mln)
		30.09.13
A.	Net Block of Fixed Assets as on 30 th September 2013 including Capital Work In Progress	3,697.15
B.	Loans Outstanding as on 30 th September 2013 which are secured by above such assets	1,734.72
C.	Fixed Assets Coverage for First Charge Holders (A / B)	2.13 Times

For, M/s P.G.Bhagwat [FRN: 101118W]
Chartered Accountant.



S.S.Athavale
Partner
M.No. 83374



Place - Pune
Date :- 30th October, 2013



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

STATEMENT OF UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER ENDED 30TH SEPTEMBER, 2013

(₹ in Lacs)

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30th Sept 2013 Unaudited	30th June 2013 Unaudited	30th Sept 2012 Unaudited	30th Sept 2013 Unaudited	30th Sept 2012 Unaudited	31st March, 2013 Audited
	PART-I						
1	Income from Operations	30,884.28	30,686.92	24,807.19	61,571.19	54,130.42	101,142.57
	Less : Excise Duty	6,214.44	6,269.28	4,753.28	12,483.72	11,263.08	21,084.50
	a) Net Sales / Income from Operations	24,669.84	24,417.64	20,053.91	49,087.47	42,867.34	80,058.07
	b) Other Operating Income	86.21	55.45	118.64	141.66	377.44	848.74
	Total Income from operations (net)	24,756.05	24,473.09	20,172.55	49,229.13	43,244.78	80,906.81
2	Expenses						
	a) Cost of Materials Consumed	12,283.29	12,410.00	10,617.77	24,693.29	24,642.28	44,175.06
	b) Changes in inventories of finished goods, WIP, stock in trade	(237.53)	(496.75)	2,079.45	(734.28)	1,699.00	1,484.72
	c) Conversion Cost	2,848.48	2,996.22	1,846.11	5,844.70	4,738.91	9,109.56
	d) Employee benefit expense	1,434.98	1,398.87	893.77	2,833.86	1,844.94	3,781.68
	e) Depreciation & amortisation expenses	860.99	808.15	571.99	1,669.13	1,141.41	2,356.28
	f) Other Expenses	5,444.58	5,528.44	3,037.34	10,973.02	6,975.87	14,693.30
	Total Expenses	22,634.79	22,644.93	19,046.43	45,279.72	41,042.41	75,600.60
3	Profit from Operations before Other Income, finance costs & Exceptional Items	2,121.26	1,828.16	1,126.12	3,949.41	2,202.37	5,306.21
4	Other Income	97.57	114.18	228.05	211.74	271.44	715.45
5	Profit from ordinary activities before finance costs & Exceptional Items	2,218.83	1,942.34	1,354.17	4,161.15	2,473.81	6,021.66
6	Finance costs	383.01	389.37	605.61	772.38	1,265.27	2,248.44
7	Profit/(Loss) from ordinary activities after finance costs but before Exceptional Items	1,835.82	1,552.97	748.56	3,388.77	1,208.54	3,773.22
8	Exceptional Items	-	-	-	-	-	-
9	Profit / (Loss) from Ordinary Activities before tax	1,835.82	1,552.97	748.56	3,388.77	1,208.54	3,773.22
10	Tax Expenses :	652.13	538.40	221.85	1,190.53	380.16	1,387.27
11	Net Profit / (Loss) from Ordinary Activity after tax	1,183.69	1,014.57	526.71	2,198.24	828.38	2,385.95
12	Prior Period adjustments	-	-	-	-	-	0.83
13	Net Profit / (Loss) after Prior Period adjustments	1,183.69	1,014.57	526.71	2,198.24	828.38	2,386.78
14	Paid-up Equity Share Capital (excluding amount recd. on Forfeited Shares) (face value ₹.5/-each, PY ₹. 5/- each)	2,182.65	2,182.65	2,182.65	2,182.65	2,182.65	2,182.65
15	Paid up Debt Capital of the Company *						1,833.33
	Reserves excluding revaluation reserves						33,273.35
17	Earnings Per Share : (in ₹) Basic and diluted (not annualised)	2.71	2.32	1.21	5.04	1.90	5.47
18	Debt Equity Ratio **				0.47	0.48	0.45
19	Debt Service Coverage Ratio ***				7.55	2.86	0.69
20	Interest Service Coverage Ratio ****				7.55	2.86	3.73

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PART II PARTICULARS OF SHAREHOLDINGS :							
1	Public shareholding						
	- Number of Shares	17,526,704	17,526,704	17,526,704	17,526,704	17,526,704	17,526,704
	- Percentage of Shareholding	40.15%	40.15%	40.15%	40.15%	40.15%	40.15%
2	Promoters and Promoter Group Shareholding						
	a) Pledged / Encumbered						
	- Number of Shares	-	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
	b) Non encumbered						
	- Number of Shares	26,126,356	26,126,356	26,126,356	26,126,356	26,126,356	26,126,356
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total share capital of the company)	59.85%	59.85%	59.85%	59.85%	59.85%	59.85%

INVESTOR COMPLAINTS :		Quarter ended 30th Sept, 2013
Pending at the beginning of the quarter		Nil
Received during the quarter		Nil
Disposed of during the quarter		Nil
Remaining unresolved at the end of the quarter		Nil

Notes :
1 Disclosure of Assets and Liabilities as per clause 41 (1) (ca) of the listing agreement

Particulars	Half Year Ended		Year ended
	30th Sept, 2013 Unaudited	30th Sept, 2012 Unaudited	31st March, 2013 Audited
A Equity and Liabilities :			
1 Shareholders' Funds :			
(a) Share Capital	2,186.44	2,186.44	2,186.44
(b) Reserves and Surplus	35,471.60	32,481.01	33,273.35
Total	37,658.04	34,667.45	35,459.79
2 Non Current Liabilities :			
(a) Long - term borrowings	15,079.48	14,906.19	12,515.73
(b) Deferred tax liabilities (net)	4,098.05	3,015.40	3,827.51
(c) Other long - term liabilities	9,186.96	7,250.16	7,950.16
(d) Long term provisions	57.94	20.38	57.94
Total	28,422.43	25,192.13	24,351.34
3 Current Liabilities :			
(a) Short-term borrowings	14,723.26	6,412.39	7,463.00
(b) Trade payables	14,596.16	12,004.97	15,031.76
(b) Other current liabilities	5,436.05	5,474.18	5,269.93
(c) Short term provisions	131.70	236.98	828.00
Total	34,887.17	24,128.52	28,592.69
Total - Equity and Liabilities	100,967.64	83,988.10	88,403.82
B Assets :			
1 Non Current Assets :			
(a) Fixed Assets	36,968.14	30,275.83	35,147.77
(b) Non Current Investments	5,465.60	8,773.00	4,873.00
(c) Long term loans and advances	6,795.58	8,600.03	5,716.93
Total	49,229.32	47,648.86	45,737.70
Current Assets :			
(a) Inventories	15,093.16	13,184.63	12,826.32
(b) Trade Receivables	29,247.82	18,984.24	22,747.94
(c) Cash and cash equivalents	2,349.10	875.93	895.79
(d) Short term loans and advances	4,511.38	2,391.12	5,262.75
(e) Other Current Assets	536.86	903.32	933.32
Total	51,738.32	36,339.24	42,666.12
Total - Assets	100,967.64	83,988.10	88,403.82

- 2 The above results were reviewed by the Audit Committee, approved by the Board of Directors of the Company at its meeting held on 30th October, 2013 and have been subjected to a 'Limited Review' by the auditors.
- 3 Previous year figures have been regrouped and reclassified wherever necessary to make them comparable with current period.

* Paid up Debt Capital represents Non Convertible Debentures

** Debt to Equity : Net Debt / Net Worth

(Net Debt : Secured Loan + Unsecured Loan - Cash & Bank - Current Investments)

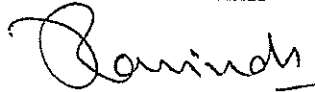
(Net Worth : Equity Share Capital + Reserves & Surplus - Miscellaneous Expenditure to the extent not written off or adjusted)

*** Debt Service Coverage Ratio : EBDIT / (Finance Charges + Principal Repayment During the year)

(EBDIT : Profit before Taxes + Finance charges + Depreciation)

**** Interest Service Coverage Ratio : EBDIT / Finance charges

For KALYANI STEELS LIMITED



R.K. Goyal
Managing Director

Date : 30th October, 2013
Place : Pune

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