

**REPORT ON CORPORATE GOVERNANCE****CORPORATE GOVERNANCE PHILOSOPHY**

Corporate Governance is a set of systems, principles and processes by which a Company is governed. Corporate Governance framework ensures that a Company makes timely disclosures and shares accurate information regarding its financials and performance. The Company is dedicated to conduct its business consistent with the highest standards of business ethics and values.

The Company is in compliance with the requirements stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (Listing Regulations) with regard to Corporate Governance, applicable for the Financial Year 2020-21.

This chapter of the report, along with the information given under 'Management Discussion and Analysis' and 'Shareholder Information' constitutes the compliance report of the Company on Corporate Governance.

1. BOARD LEVEL ISSUES**COMPOSITION OF THE BOARD**

As on March 31, 2021, the Board of Directors of Kalyani Steels comprised Twelve Directors. The Board consists of the Chairman, who is a Promoter Non-Executive Director, one Executive Director and ten Non-Executive Directors, of which seven are Independent. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations. Details of composition of the Board of Directors are given in Table 1.

NUMBER OF BOARD MEETINGS

During the year 2020-21, the Board of the Company met four times on June 26, 2020, August 10, 2020, November 9, 2020 and January 29, 2021. All the meetings were held in such manner that the gap between two consecutive meetings was not more than one hundred and twenty days.

DIRECTORS' ATTENDANCE RECORD AND DIRECTORSHIPS

Table 1 : The composition of the Board, the category of Directors and their attendance at the meetings of the Board of Directors held during the year 2020-21 and at the last Annual General Meeting held on September 25, 2020 :

Name of the Director	Category	Particulars of Attendance		
		Number of Board Meetings		Last AGM
		Held	Attended	
Mr.B.N. Kalyani, Chairman	Promoter Non-Executive	4	4	Yes
Mrs.Sunita B. Kalyani	Non-Executive	4	4	Yes
Mr.Amit B. Kalyani	Non-Executive	4	4	Yes
Mr.S.M. Kheny	Non-Executive	4	4	Yes
Mr.B.B. Hattarki	Independent	4	4	Yes
Mr.M.U. Takale	Independent	4	4	Yes
Mr.Arun P. Pawar	Independent	4	4	Yes
Mr.Sachin K. Mandlik	Independent	4	4	Yes
Mr.S.K. Adivarekar	Independent	4	4	Yes
Mrs.Shruti A. Shah	Independent	4	4	Yes
Amb.Ahmad Javed*	Independent	4	4	No
Mr.R.K. Goyal, Managing Director	Executive	4	4	Yes

*Appointed with effect from June 26, 2020.

Table 2 : The details of the number of Directorships held and Committee Memberships / Chairmanships held in Indian Public Limited Companies, whether listed or not, including the Company, as on March 31, 2021 and details of Directorships held in other Listed Companies :

Name of the Director	In Indian Public Limited Companies, whether listed or not, including Kalyani Steels Limited			Directorships held in other Listed Companies	
	Directorships	*Committee Memberships	*Committee Chairmanships	Name of the Company	Type of Directorship
Mr.B.N. Kalyani Chairman	7	3	—	Bharat Forge Limited Automotive Axles Limited Hikal Limited BF Utilities Limited	Executive Non-Executive Non-Executive Non-Executive
Mrs.Sunita B. Kalyani	1	—	—	—	—
Mr.Amit B. Kalyani	9	1	—	Bharat Forge Limited Hikal Limited BF Utilities Limited Kalyani Investment Company Limited BF Investment Limited Schaeffler India Limited	Executive Non-Executive Non-Executive Non-Executive Independent
Mr.S.M. Kheny	5	2	1	—	—
Mr.B.B. Hattarki	8	4	5	Automotive Axles Limited BF Utilities Limited Kalyani Investment Company Limited BF Investment Limited	Independent Independent Independent Independent
Mr.M.U. Takale	4	2	1	BF Investment Limited	Independent
Mr.Arun P. Pawar	2	—	—	Phoenix Township Limited	Non-Executive
Mr.Sachin K. Mandlik	1	—	—	—	—
Mr.S.K. Adivarekar	4	2	2	Kalyani Investment Company Limited BF Utilities Limited	Independent Independent
Mrs.Shruti A. Shah	4	2	—	Kalyani Investment Company Limited Balkrishna Industries Limited Jai Corp Limited	Independent Independent Independent
Amb.Ahmad Javed	1	—	—	—	—
Mr.R.K. Goyal Managing Director	4	4	—	Kalyani Investment Company Limited Hikal Limited	Independent Independent

* Memberships / Chairmanships of Audit Committee and Stakeholders Relationship Committee.

Certificate from M/s SVD & Associates, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the companies, by the Securities and Exchange Board of India (SEBI) / Ministry of Corporate Affairs or any such Statutory Authority, is enclosed as Annexure "A".

INDEPENDENT DIRECTORS

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that the Independent Directors on the Board of the Company fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and are independent of the Company's management. The terms of appointment of the Independent Directors are disclosed on the website of the Company viz. www.kalyanisteels.com/profile/policies.

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 Audit Committee and other committees of the Board and minutes of meetings of Subsidiary Company.
- Appointment, remuneration and resignation of Directors.
- The information on recruitment and remuneration of senior officers just below the level of the Board, including the appointment or removal of Chief Financial Officer and Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, if any which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company.



- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any Joint Venture / Collaboration Agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources / Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.
- Making of loans and investments of surplus funds.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
- General Notices of interest by Directors, declaration of Independent Directors at the time of appointment / annual declaration.
- Formation / Reconstitution of Committees of the Board.
- Dividend declaration.
- Appointment and fixing remuneration, of the Auditors as recommended by the Audit Committee.
- Annual Financial Results of the Company, Auditors' Report and the Report of the Board of Directors.
- Compliance certificates for all the laws as applicable to the Company.
- CSR activities carried out by the Company and expenditure made thereon.

The Board of Directors of the Company is presented with detailed notes, along with the agenda papers, well in advance of each Board and Committee Meeting. All material information is incorporated in the agenda for facilitating focused and meaningful discussions at the meeting. In special and exceptional circumstances, additional items on the agenda are permitted with the consent of all the Independent Directors.

CEO AND CFO CERTIFICATION

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results, while placing the financial results before the Board in terms of Regulation 33(2)(a) of the Listing Regulations.

CODE OF CONDUCT

The Company has adopted a Code of Conduct for Directors and Senior Management of the Company. The Code has been circulated to all the members of the Board and Senior Management and the same is available on the Company's website. (Web-link : <http://www.kalyanisteels.com/profile/policies/>)

The Board members and the senior management have affirmed the compliance with the Code. A declaration to that effect signed by the Managing Director of the Company is contained in this Annual Report.

COMMITTEES OF THE BOARD

As on March 31, 2021, the Company has Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Finance Committee and Share Transfer Committee. The Board Committees are set up and reconstituted, as and when necessary, under the formal approval of the Board to carry out clearly defined role which are considered to be performed by the members of the respective Board Committees. The Company's guidelines relating to Board Meetings are applicable to the Committee Meetings, as far as may be practicable. Minutes of the proceedings of the Committee Meetings are placed before the Board Meeting for consideration and noting. The Company Secretary acts as the Secretary of all Committees.

AUDIT COMMITTEE

As on March 31, 2021, 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 Annual General Meeting of the Company held on September 25, 2020 was attended by the Chairman of the Audit Committee, Mr.S.K. Adivarekar, to answer the shareholders' queries.

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

During the year 2020-21, Audit Committee met on June 26, 2020, August 10, 2020, November 9, 2020 and January 29, 2021 and there were no instances, where the Board had not accepted the recommendations of the Audit Committee. Particulars relating to the attendance at the Audit Committee meetings held during the year are given below :

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.S.K. Adivarekar, Chairman	Independent	4	4
Mr.B.N. Kalyani	Promoter Non-Executive	4	4
Mr.B.B. Hattarki	Independent	4	4
Mr.M.U. Takale	Independent	4	4

The Role / Terms of reference 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.
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to :
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Modified opinion(s) in the draft audit report, if any.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for the purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- 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, if any.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the whistle blower mechanism.
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background etc. of the candidate.
- Reviewing the utilization of loans and / or advances from / investment by the Company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of Information by the Audit Committee :

- 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.



Powers of Audit Committee :

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

STAKEHOLDERS RELATIONSHIP COMMITTEE

As on March 31, 2021, Stakeholders Relationship Committee comprised of three members viz. Mr.S.M. Kheny, Chairman, Mr.R.K. Goyal, Managing Director and Mr.B.B. Hattarki. During the year 2020-21, the Stakeholders Relationship Committee met on June 25, 2020, August 8, 2020, November 7, 2020 and January 28, 2021.

Particulars relating to the attendance at the Stakeholders Relationship Committee meetings held during the year are given below :

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

Role of the Stakeholders Relationship Committee :

- Resolving the grievances of the security holders of the Company including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

COMPLIANCE OFFICER

Mrs. Deepthi R. Puranik, Company Secretary is the Compliance Officer.

STATUS OF INVESTORS' COMPLAINTS

During the year, no complaints were received. The status of complaints is also reported to the Board of Directors, as an agenda item.

DESIGNATED EXCLUSIVE E-MAIL ID

The Company has also provided separate E-mail ID : investor@kalyanisteels.com exclusively for investor servicing.

NOMINATION AND REMUNERATION COMMITTEE

As on March 31, 2021, Nomination and Remuneration Committee comprised of three members viz. Mr.M.U. Takale, Chairman, Mr.Amit B. Kalyani and Mr.B.B. Hattarki. During the year 2020-21, the Nomination and Remuneration Committee met on June 26, 2020 and November 7, 2020.

Role of Nomination and Remuneration Committee :

- Formulation of the criteria for determining qualifications, positive attributes and independence of Directors and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board.
- Devising a policy on Board diversity.
- Identifying the persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

Particulars relating to the attendance at the Nomination and Remuneration Committee meetings held during the year are given below :

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.M.U. Takale, Chairman	Independent	2	2
Mr.Amit B. Kalyani	Non-Executive	2	2
Mr.B.B. Hattarki	Independent	2	2

PERFORMANCE EVALUATION CRITERIA FOR DIRECTORS

The Nomination and Remuneration Committee has devised criteria for performance evaluation of Directors including independent Directors. The said criteria provides for certain parameters like seniority / experience, number of years on the Board, Board / Committee meetings attended, Director's position on the Company's Board Committees, other relevant factors and performance of the Company.

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 2020-21.

POLICY ON BOARD DIVERSITY AND NOMINATION AND REMUNERATION POLICY

The Board on recommendation of the Nomination and Remuneration Committee, has approved Policy on Board Diversity and Nomination and Remuneration Policy and the same are available on the Company's website. (Web-link : <http://www.kalyanisteels.com/profile/policies/>). These Policies provides for criteria for determining qualifications, positive attributes & independence of director as well as remuneration policy for directors, key managerial personnel and other employees, with an objective to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

Skills / Expertise / Competencies for the Board of Directors

The following is the list of core Skills / Expertise / Competencies identified by the Board of Directors for the Board members, in the context of the Company's business and that the said skills are available with the Board members :

	Industry Knowledge / experience	Technology and Innovations	Strategy and Planning	Sales and Marketing	Financial Skills	Legal and Regulatory knowledge	Corporate Governance and Risk Management
Mr.B.N. Kalyani, Chairman	✓	✓	✓	✓	✓	✓	✓
Mrs.Sunita B. Kalyani	✓		✓		✓		✓
Mr.Amit B. Kalyani	✓	✓	✓	✓	✓	✓	✓
Mr.S.M. Kheny	✓	✓	✓		✓		
Mr.B.B. Hattarki	✓	✓	✓		✓		
Mr.M.U. Takale	✓	✓	✓		✓		
Mr.Arun P. Pawar	✓	✓	✓	✓	✓	✓	✓
Mr.Sachin K. Mandlik	✓		✓		✓	✓	✓
Mr.S.K. Adivarekar	✓		✓		✓	✓	✓
Mrs.Shruti A. Shah	✓		✓		✓	✓	✓
Amb.Ahmad Javed	✓		✓		✓	✓	✓
Mr.R.K. Goyal, Managing Director	✓	✓	✓	✓	✓	✓	✓

Remuneration to Non-Executive Directors

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, upto an aggregate amount not exceeding 1% of the net profits of the Company for the year, as may be decided by the Board of Directors from time to time.

Payments to Non-Executive Directors are decided based on multiple criteria of seniority / experience, number of years on the Board, Board / Committee meetings attended, Director's position on the Company's Board Committees, other relevant factors and performance of the Company.

Remuneration to Managing Director, Key Managerial Personnel and other Employees

The Remuneration to Managing Director shall take into account the Company's overall performance, Managing Director's contribution for the same & trends in the industry in general, in a manner which will ensure and support a high performance culture.



The Managing Director is paid remuneration as per the terms approved by the Nomination and Remuneration Committee and the Board and confirmed by the Shareholders of the Company. The remuneration of the Managing Director comprises of Salary, Commission and Perquisites besides contribution to provident fund, gratuity and leave encashment facility. The Company does not have any stock option scheme. The tenure of the office of the Managing Director is 5 (Five) years. The Board has discretion to decide notice period of the Managing Director. There is no separate provision for payment of severance fees.

Remuneration to Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals. The Remuneration will be such, so as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

Table 3 : The details of the remuneration package of Directors during the year 2020-21, their shareholding in the Company and relationship with other directors, if any :

(₹ in Million)

Name of the Director	Relationship with other Directors	Sitting fees #	Salaries and perquisites	Commission ##	Total	No. of Shares held
Mr.B.N. Kalyani	*	0.04	—	7.00	7.04	1,118
Mrs.Sunita B. Kalyani	**	0.01	—	6.00	6.01	54,650
Mr.Amit B. Kalyani	***	0.01	—	6.00	6.01	31,644
Mr.S.M. Kheny	****	0.02	—	0.70	0.72	—
Mr.B.B. Hattarki	None	0.06	—	0.95	1.01	—
Mr.M.U. Takale	None	0.02	—	0.70	0.72	2,500
Mr.Arun P. Pawar	None	0.01	—	0.60	0.61	—
Mr.Sachin K. Mandlik	None	0.01	—	0.75	0.76	—
Mr.S.K. Adivarekar	None	0.02	—	0.90	0.92	—
Mrs.Shruti A. Shah	None	0.01	—	0.70	0.71	—
Amb.Ahmad Javed [§]	None	0.01	—	0.70	0.71	—
Mr.R.K. Goyal	None	N.A.	62.67	35.00	97.67	—

Sitting fees include payment of fees for attending Board and Committee Meetings.

Commission proposed and payable after approval of accounts by members of the Company in the ensuing Annual General Meeting (AGM)

* Husband of Mrs.Sunita B. Kalyani and Father of Mr.Amit B. Kalyani

** Wife of Mr.B.N. Kalyani and Mother of Mr.Amit B. Kalyani

*** Son of Mr.B.N. Kalyani and Mrs.Sunita B. Kalyani

**** Brother of Mrs.Sunita B. Kalyani

§ Appointed as Director with effect from June 26, 2020

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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Corporate Social Responsibility (CSR) Committee comprises of three members viz. Mr.B.B. Hattarki, Chairman, Mr.M.U. Takale and Mr.R.K. Goyal, Managing Director. During the year 2020-21, the Corporate Social Responsibility Committee met on June 26, 2020 and November 7, 2020.

Terms of Reference :

- Formulation and recommendation to the Board, CSR Policy, which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount of expenditure to be incurred on the CSR activities.
- Monitor CSR Policy of the Company from time to time.

The Committee's core responsibility is to assist the Board in discharging its social responsibility by formulating and monitoring implementation of the framework of the CSR Policy. The CSR Policy of the Company is available on the Company's website. (Web-link : <http://www.kalyanisteels.com/profile/policies/>)

Particulars relating to the attendance at the CSR Committee meetings held during the year are given below :

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.B.B. Hattarki, Chairman	Independent	2	2
Mr.M.U. Takale	Independent	2	2
Mr.R.K. Goyal	Executive	2	2

FINANCE COMMITTEE

Finance Committee comprises of three members viz. Mr.B.N. Kalyani, Chairman, Mr.B.B. Hattarki, Director and Mr.R.K. Goyal, Managing Director. During the year 2020-21, the Finance Committee met on July 4, 2020, August 7, 2020, September 7, 2020, October 30, 2020, November 30, 2020, December 11, 2020, January 22, 2021, February 26, 2021 and March 19, 2021.

Terms of Reference :

- To borrow money from banks / financial institutions, upto the limits specified by the Board.
- To open and close Bank Accounts of the Company and to authorize employees for operation of bank accounts of the Company.
- Authorization to employees to execute / sign returns, submissions, documents etc. on behalf of the Company and to appear before various statutory authorities.
- Such other matters as may be delegated by the Board from time to time.

Particulars relating to the attendance at the Finance Committee meetings held during the year are given below :

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.B.N. Kalyani, Chairman	Promoter Non-Executive	9	9
Mr.B.B. Hattarki	Independent	9	9
Mr.R.K. Goyal	Executive	9	9

SHARE TRANSFER COMMITTEE

The Company has constituted the Share Transfer Committee, to approve share transfers, transmissions, consolidation, sub-division, deletion of name, issue of duplicate certificates and requests for rematerialization 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. During the year 2020-21, the Share Transfer Committee met on September 21, 2020, October 21, 2020, December 19, 2020, February 27, 2021 and March 23, 2021. The particulars relating to the attendance at the Share Transfer Committee meetings held during the year are given below :

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.B.N. Kalyani, Chairman	Promoter Non-Executive	5	5
Mr.B.B. Hattarki	Independent	5	5
Mr.R.K. Goyal	Executive	5	5

INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on January 29, 2021, inter alia to discuss :

- Evaluation of the performance of Non-Independent Directors and Board of Directors, as a whole.
- Evaluation of the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
- Evaluation of the quality, quantity and timeliness of flow of information between the Company Management and the Board of Directors, that is necessary for the Board of Directors to effectively and reasonably perform their duties.

All the Independent Directors, except Mr.M.U. Takale, were present at the meeting. The Directors expressed their satisfaction with the evaluation process.

2. MANAGEMENT

MANAGEMENT DISCUSSION AND ANALYSIS

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

DISCLOSURES

RELATED PARTY TRANSACTIONS

All transactions entered into with related parties during the year were in ordinary course of business and have been approved by the Audit Committee. The Board has approved a policy for related party transactions which has been uploaded on the Company's website at the link : <http://www.kalyanisteels.com/profile/policies/>.

None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of the members is drawn to the disclosure set out in Notes No.39 to Financial Statements forming part of the Annual Report.

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.

WHISTLE BLOWER POLICY

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal / unethical behavior. The Company has adopted Whistle Blower Policy and has established necessary vigil mechanism for employees / directors, wherein they can report the instances of unethical behavior, actual or suspected fraud or any violation of the Code of Conduct and / or laws applicable to the Company and seek redressal. This mechanism provides for direct access to the Chairperson of the audit committee and appropriate protection to the genuine Whistle Blower, who avails of the mechanism. The Whistle Blower Policy / Vigil Mechanism has been disclosed on the website of the Company. (Web-link :<http://www.kalyanisteels.com/profile/policies/>)



SUBSIDIARY COMPANY

The minutes of the Board Meetings of the unlisted subsidiary company are periodically placed before the Board of Directors of the Company. The Company has policy for determining material subsidiary. (Web-link : <http://www.kalyanisteels.com/profile/policies/>)

INDEPENDENT DIRECTORS' TRAINING AND INDUCTION

The Independent Directors are provided with necessary documents / brochures and reports to enable them to familiarize with the Company's business, procedures and practices. Along with role, function, duties and responsibilities expected from Director, the Director is also explained in detail the compliances required from him under the Companies Act, 2013, the Listing Regulations and other relevant regulations and his affirmation is taken with respect to the same.

Further, with a view to familiarize Director with the Company's operations, plant visit is scheduled and the Managing Director also has one-to-one discussion with the newly appointed Director. These initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him to effectively fulfill his role as a Director of the Company. The details of this familiarization programme are available on the website of the Company. (Web-link : <http://www.kalyanisteels.com/profile/policies/>)

DISCLOSURE IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In terms of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the Act"), the Company has formulated a Policy for prevention, prohibition and redressal of sexual harassment of women at workplace. All women employees (permanent, temporary, contractual and trainees), as well as any women visiting the Company's office premises are covered under the Policy. During the year under review, no complaint was filed pursuant to the said Act.

3. SHAREHOLDERS

DISCLOSURES REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS

Mrs.Sunita B. Kalyani and Mr.Amit B. Kalyani, Directors of the Company are retiring by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Mr.R.K. Goyal, has been re-appointed as Managing Director of the Company for the period of 5 (Five) years w.e.f. January 17, 2021 to January 16, 2026.

Details of directors to be re-appointed / appointed, are given below :

- Mrs.Sunita B. Kalyani born on April 18, 1951, was the Chairperson of Kalyani Thermal Systems Limited (now named as Kalyani Technoforge Limited), a Kalyani Group Company, engaged in the manufacture of thermal system equipments and automotive components. She is also actively involved in all the CSR Activities and Charitable Foundations of the Kalyani Group. Mrs.Kalyani holds 54,650 Equity Shares of ₹ 5/- each of the Company as on March 31, 2021.
- Mr.Amit B. Kalyani, born on July 26, 1975, after having his initial education in Pune, graduated in Mechanical Engineering from Bucknell University, Pennsylvania, U.S.A. He initially worked with Kalyani Steels Limited, followed by other companies within the group. He then joined Bharat Forge Limited in 1999 as Vice President and Chief Technology Officer. He was also instrumental in strategizing and execution of the several acquisitions that the group had in Germany.

Mr.Amit B. Kalyani is currently Deputy Managing Director of Bharat Forge Limited. He also takes care of the overall group strategy and is responsible for the expansion of steel business and driving the infrastructure foray of the group. He holds 31,644 Equity Shares of ₹ 5/- each of the Company as on March 31, 2021.

The details of Directorships and Committee Memberships held in other Indian Public Limited Companies are as follows :

Other Directorships Name of the Company	Committee Memberships Name of the Company & Committee
1. Bharat Forge Limited	1. Bharat Forge Limited
2. Hikal Limited	CSR Committee - Member
3. BF Utilities Limited	Risk Management Committee - Member
4. Kalyani Investment Company Limited	2. BF Utilities Limited
5. BF Investment Limited	Audit Committee - Member
6. Schaeffler India Limited	Nomination & Remuneration Committee - Member
7. BF-NTPC Energy Systems Limited	CSR Committee - Member
8. BF Elbit Advanced Systems Private Limited (Subsidiary of a public company)	Risk Management Committee - Member
	3. Kalyani Investment Company Limited
	Nomination & Remuneration Committee - Member
	4. BF Investment Limited
	Nomination & Remuneration Committee - Member
	CSR Committee - Member
	Risk Management Committee - Member
	5. Schaeffler India Limited
	Audit Committee - Member
	Nomination & Remuneration Committee - Member
	CSR Committee - Member

- Mr.R.K. Goyal, has been re-appointed as Managing Director of the Company for the period of 5 (Five) years w.e.f. January 17, 2021 to January 16, 2026, on the terms and conditions mentioned in the Notice convening the ensuing Annual General Meeting.

Mr.Goyal, born on May 18, 1958, is an Engineering Graduate from BITS, Pilani and M.B.A., having more than 39 years of rich experience, in Steel Industry. He has been associated with the Company since 2011 as Managing Director and has held a leadership position in developing the Company’s business. His areas of excellence includes Overall Growth Strategy Planning, Steel, Speciality Steels and Mining Business, Strategic Alliances, Mergers & Acquisitions and Indirect Taxation.

Mr.Goyal is not related to any Director, Manager or Key Managerial Personnel of the Company. Mr.Goyal does not hold any Equity Shares of the Company.

The details of Directorships and Committee Memberships held in other public limited companies are as follows :

Other Directorships Name of the Company	Committee Memberships Name of the Company & Committee
1. Kalyani Investment Company Limited	1. Kalyani Investment Company Limited
2. Hikal Limited	Audit Committee - Member
3. Hospet Steels Limited	Stakeholders Relationship Committee – Member
	Corporate Social Responsibility Committee - Member
	Nomination & Remuneration Committee - Member
	Share Transfer Committee - Member
	2. Hikal Limited
	Audit Committee - Member

COMMUNICATION TO SHAREHOLDERS

Kalyani Steels puts all vital information about the Company and its performance, including quarterly 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.

During the year, quarterly, half yearly, annual financial results are published in leading newspapers such as Business Standard (All Editions) and Loksatta (Pune).

1. Website

The Company’s website contains a separate dedicated section titled “Investors”. The basic information about the Company, as called for in terms of Regulation 46 of the Listing Regulations, is provided on the Company’s website www.kalyanisteels.com and the same is updated from time-to-time.

2. Filing with Stock Exchanges

Financial Results / other information to Stock Exchanges is filed electronically on BSE Listing Centre for BSE and on NEAPS for NSE.

3. Annual Report

Annual Report containing, inter alia, Audited Financial Statements, Consolidated Financial Statements, Directors’ Report, Independent Auditor’s Report and other important information, is circulated to members and others entitled thereto in electronic / physical form. The management Discussion and Analysis (MDA) Report and Business Responsibility Report (BRR) forms part of the Annual Report and the same is also displayed on the Company’s website www.kalyanisteels.com

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



CREDIT RATING FROM CARE RATINGS LIMITED

Care Ratings Limited have assigned following rating to the Company's bank facilities :

Facilities	Rating
Long Term Bank Facilities	CARE AA Stable (Reaffirmed) (Double A; Outlook : Stable)
Short Term Bank Facilities	CARE A1+ (Reaffirmed) (A One Plus)
Commercial Paper – Proposed [@]	CARE A1+ (Reaffirmed) (A One Plus)

@ carved out of sanctioned working capital limits of the Company.

FEES PAID TO STATUTORY AUDITORS

The Company has paid the fees of ₹ 5.30 Million to P G Bhagwat LLP, Chartered Accounts, Pune (Firm Registration No.101118W / W100682) during the year 2020-21.

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

Annual General Meeting :

The date, time and venue for the last 3 (Three) Annual General Meetings are given below :

Date	Time	Venue	Special Resolutions Passed
September 25, 2020	11.00 a.m.	Held through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	—
August 27, 2019	11.00 a.m.	Registered Office of the Company at Mundhwa, Pune – 411 036	1. Re-Appointment of Mr.Arun P. Pawar as an Independent Director 2. Re-Appointment of Mr.M.U Takale as an Independent Director
August 21, 2018	11.00 a.m.	Registered Office of the Company at Mundhwa, Pune – 411 036	Re-appointment of Mr.B.B. Hattarki, as an Independent Director

POSTAL BALLOT

No resolution was put through postal ballot during the year 2020-21.

None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing of resolution conducted through postal ballot.

COMPLIANCE WITH MANDATORY AND DISCRETIONARY REQUIREMENTS

The Company is fully compliant with the applicable mandatory requirements of Listing Regulations. The Company has adopted the following non-mandatory requirements of Listing Regulations.

- 1) Unmodified Opinion(s) in Audit Report
The Company is in the regime of financial statements with unqualified / unmodified Audit Opinion.
- 2) Reporting of Internal Auditors
The Internal Auditors of the Company report to the Audit Committee periodically to ensure independence of the Internal Audit function.

SHAREHOLDER INFORMATION

COMPANY REGISTRATION DETAILS

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs is L27104MH1973PLC016350.

ANNUAL GENERAL MEETING

Day, Date and Time : Friday, September 3, 2021 at 11.00 a.m.

Mode of Meeting : Through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”)

FINANCIAL CALENDAR

1st April to 31st March

BOOK CLOSURE

The books will be closed from Saturday, August 28, 2021 to Friday, September 3, 2021 (both days inclusive).

DIVIDEND PAYMENT DATE

Dividend of ₹ 7.50/- per Equity Share of ₹ 5/- each (i.e.150%) for FY 2020-21 recommended by the Board, if approved by the members, shall be paid on or before Wednesday, September 15, 2021.

LISTING

The Equity Shares of the Company are listed on :

- 1) National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051
- 2) BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001

All annual listing fees due during the year have been paid.

STOCK CODES

NSE : KSL

BSE : 500235

Equity ISIN : 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 BSE Limited (BSE) for the year 2020-21 :

Month & Year	NSE			BSE		
	High (₹)	Low (₹)	Volume (No. of Shares Traded)	High (₹)	Low (₹)	Volume (No. of Shares Traded)
April, 2020	158.80	120.00	693,857	158.80	120.00	92,997
May, 2020	151.65	135.50	1,178,650	151.35	135.00	113,028
June, 2020	259.00	143.30	4,852,941	258.00	144.60	495,066
July, 2020	257.40	192.02	4,482,068	253.00	190.25	486,924
August, 2020	246.80	211.00	3,258,659	246.00	211.50	443,209
September, 2020	222.55	196.30	1,570,676	222.05	196.70	165,929
October, 2020	232.60	208.50	770,002	230.85	208.50	93,298
November, 2020	248.00	206.35	2,129,063	247.25	206.80	235,114
December, 2020	291.80	230.70	5,621,708	291.30	225.35	642,756
January, 2021	306.90	258.85	3,953,713	307.15	259.80	440,203
February, 2021	327.90	260.20	3,906,783	326.15	261.00	451,878
March, 2021	335.00	280.00	1,985,645	334.55	287.25	258,340



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STOCK PERFORMANCE

Chart 'A' plots the movement Kalyani Steels Equity Shares adjusted closing prices compared to the BSE Sensex.

Chart 'A' : Kalyani Steels Share Performance Vs. BSE Sensex



Note : Share prices of Kalyani Steels and BSE Sensex have been indexed to 100 as on first working day of Financial Year 2020-21 i.e. April 1, 2020

REGISTRAR AND TRANSFER AGENTS AND SHARE TRANSFER SYSTEM

M/s. Link Intime India Private Limited, having Registered Office at C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai – 400 083 and Pune Branch Office at 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 MARCH 31, 2021

Category of the Shareholder	No. of Equity Shares held	Shareholding %
Promoters	28,248,823	64.71
Mutual Funds	2,922,120	6.69
Financial Institutions / Banks	267	—
Foreign Portfolio Investors	1,043,144	2.39
Bodies Corporate	654,054	1.50
NRIs	296,916	0.68
Indian Public	10,487,736	24.03
TOTAL	43,653,060	100.00

PATTERN OF SHAREHOLDING BY SHARE CLASS AS ON MARCH 31, 2021

Category (Shares)	No. of Shareholders	No. of Equity Shares held	Shareholding %
Up to 5,000	42,391	7,601,278	17.41
5,001 to 10,000	99	722,193	1.66
10,001 to 20,000	34	481,907	1.10
20,001 to 30,000	15	371,716	0.85
30,001 to 40,000	9	316,893	0.73
40,001 to 50,000	8	362,932	0.83
50,001 to 100,000	10	672,269	1.54
100,001 and above	17	33,123,872	75.88
TOTAL	42,583	43,653,060	100.00

DEMATERIALIZATION

The Company's Equity Shares are under compulsory Demat Trading. As on March 31, 2021, dematerialized shares accounted for 99.30% 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 ON COMPLIANCE WITH THE CODE OF CONDUCT

I, R.K. Goyal, Managing Director of the Company do hereby declare that all the Board Members and Senior Management Personnel have affirmed for the year ended March 31, 2021, compliance with the Code of Conduct of the Company laid down for them.

Place : Pune
 Date : May 18, 2021

R.K. Goyal
 Managing Director

Annexure A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause 10(i) of the SEBI
 (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
 The Members
 Kalyani Steels Limited
 Mundhwa, Pune – 411 036

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kalyani Steels Limited (hereinafter referred to as 'the Company'), having CIN : L27104MH1973PLC016350 and having Registered Office at Mundhwa, Pune – 411 036, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary) and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr.Babasaheb Neelkanth Kalyani	00089380	15/02/1984
2.	Mr.Amit Babasaheb Kalyani	00089430	22/05/2004
3.	Mrs.Sunita Babasaheb Kalyani	00089496	30/03/2015
4.	Mr.Bhalachandra Basappa Hattarki	00145710	29/06/1992
5.	Mr.Madan Umakant Takale	01291287	27/06/2006
6.	Mr.Shivakumar Kheny	01487360	15/02/1984
7.	Mr.Ravindra Kumar Goyal	03050193	17/01/2011
8.	Mr.Arun Pandurang Pawar	03628719	25/10/2011
9.	Mr.Shrikrishna Kiran Adivarekar	06928271	18/05/2018
10.	Mr.Sachin Krishna Mandlik	07980384	09/11/2017
11.	Mrs.Shruti Anup Shah	08337714	29/01/2020
12.	Amb.Javed Ahmad*	08668304	26/06/2020

* Amb.Javed Ahmad (DIN 08668304) has been appointed as an Additional Director with effect from June 26, 2020 and his appointment as an Independent Director has been approved by the members of the Company, at their Annual General Meeting held on September 25, 2020.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SVD & Associates
 Company Secretaries

Meenakshi R. Deshmukh
 Partner

FCS No. : 7364
 C P No. : 7893

UDIN : F007364C000336981

Place : Pune
 Date : May 18, 2021

Note : We have relied on the documents and evidences provided by electronic mode, in view of prevailing pandemic situation of COVID 19, for the purpose of issuing this certificate.