

**MEETING OF THE EQUITY SHAREHOLDERS OF ISMT LIMITED CONVENED
IN ACCORDANCE WITH THE ORDER OF THE HON'BLE NATIONAL
COMPANY LAW TRIBUNAL, MUMBAI BENCH**

Day	Thursday
Date	14 March 2024
Time	11:00 a.m. (IST)

REMOTE E-VOTING FOR THE MEETING

Cut off date for determining the equity shareholders entitlement to vote	Thursday, 7 March 2024
Commencing on	Monday, 11 March 2024 at 9:00 a.m. (IST)
Ending on	Wednesday, 13 March 2024 at 5:00 p.m. (IST)

E-VOTING DURING THE MEETING

E-voting through VC/OAVM facility shall also be available to the equity shareholders of the Company during the meeting.

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The Notice & Explanatory Statement of the meeting, issued pursuant to Sections 230 to 232 of the Companies Act, 2013 (“Act”) and other applicable provisions of the Act read with the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 (page numbers from 1 to 58) and Annexure 1 to Annexure 21 (page numbers 59 to 272) constitute a single and complete set of documents and should be read together as they form an integral part of this document.

FORM NO. CAA. 2

[Pursuant to Section 230 (3) of the Companies Act, 2013 and Rule 6 and Rule 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

IN THE NATIONAL COMPANY LAW TRIBUNAL MUMBAI BENCH, MUMBAI

COMPANY SCHEME APPLICATION NO. 238 OF 2023

In the matter of the Companies Act, 2013;

And

In the matter of Application under Sections 230-232 and other relevant provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

ISMT Limited
(CIN: L27109PN1999PLC016417),

**...First Applicant Company/
Transferor Company**

Kirloskar Ferrous Industries Limited
(CIN: L27101PN1991PLC063223),

**...Second Applicant Company/
Transferee Company**

Notice of meeting of the Equity Shareholders of ISMT Limited (which includes public shareholders) convened in accordance with the Order of the Hon’ble National Company Law Tribunal, Mumbai Bench



To,
The Equity Shareholders of ISMT Limited,

Notice is hereby given that by an order dated 4 January 2024 read with that of 16 January 2024 passed in the Company Scheme Application No. 238 of 2023 (“**Order**”) by the Hon’ble National Company Law Tribunal, Mumbai Bench (“**NCLT**”) has directed inter-alia that a meeting of the equity shareholders of ISMT Limited (“**ISMT / Transferor Company**”) be convened and held for the purpose of considering, and if thought fit, approving with or without modification, the proposed Scheme of Arrangement and Merger of ISMT Limited with and into Kirloskar Ferrous Industries Limited (“**KFIL/ Transferee Company**”) and their respective shareholders (“**Scheme**”) under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“**Act**”) along with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (“**Merger Rules**”) and other applicable rules under the Act. The Scheme, if approved by the equity shareholders, will be subject to the subsequent approval of NCLT and such other approvals, permissions and sanctions of Regulatory or other Authorities, as may be necessary.

TAKE NOTICE that in pursuance of the Order and as directed therein, a meeting of the equity shareholders of the Transferor Company will be held on Thursday, 14 March 2024 at 11:00 a.m. (IST) (“**Meeting**”) through Video Conferencing (“**VC**”)/ Other Audio-Visual Means (“**OAVM**”) in compliance with the applicable provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) and by following the operating procedures (with requisite modifications as may be required) specified under the Circulars issued by the Ministry of Corporate Affairs (“**MCA**”) from time to time (collectively referred to as ‘**MCA Circulars**’) and by the Securities and Exchange Board of India (“**SEBI**”) from time to time (collectively referred to as ‘**SEBI Circulars**’), wherein, you are requested to attend the Meeting. The deemed venue of the Meeting shall be Registered Office of the Transferor Company.

TAKE FURTHER NOTICE that a copy of the Scheme, the Notice and the Explanatory Statement under Sections 230(3), 232(1), 232(2) and 102 of the Act read with Rule 6 of the Merger Rules and other Annexures as stated in the Index are enclosed herewith. A copy of this Notice and the accompanying documents will be placed on the website of the Transferor Company at www.ismt.co.in and will also be available on the website of BSE Limited (“**BSE**”) at www.bseindia.com , at National Stock Exchange of India Limited (“**NSE**”) at www.nseindia.com and also on the website of Central Depository Services (India) Limited at www.evotingindia.com



A copy of the Scheme along with the explanatory statement can be obtained free of charge, between 9:00 a.m. to 6:00 p.m. on any day (except Saturday, Sunday and public holidays) up to one day prior to the date of the Meeting from the Registered Office of the Transferor Company or by sending a request, along with details of your DP ID and Cline ID / Folio Number, shareholding in the Transferor Company, by e-mail at secretarial@ismt.co.in, or at the offices of the Advocates for the Transferor Company, M/s. Pioneer Legal, at 901/ 9th Floor, Nariman Bhavan, Nariman Point, Mumbai 400021 at contactus@pioneerlegal.com.

TAKE FURTHER NOTICE that the NCLT has appointed Mr. D. P. Semwal as the Chairperson of the Meeting.

TAKE FURTHER NOTICE that the NCLT has appointed Mr. Milind Kasodekar, Practicing Company Secretary (Membership No. FCS-2756 and COP No. CP-1681) as the Scrutinizer for the Meeting.

The voting rights of the equity shareholders shall be in proportion to their shareholding in the Transferor Company as on the close of business hours of Thursday, 7 March 2024 (**‘Cut-Off Date’**). The Transferor Company has appointed Central Depository Services (India) Limited ("CDSL") for providing VC / OAVM facility and remote e-voting as well as e-voting facility for the Meeting of the equity shareholders.

TAKE FURTHER NOTICE that since this Meeting is held through VC/ OAVM facility pursuant to the Order passed by the NCLT and in compliance with the MCA Circulars and the SEBI Circulars, physical attendance of the equity shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the equity shareholders will not be available for the present Meeting and hence, the Proxy Form, the Attendance Slip and the route map are not annexed to this Notice. However, in pursuance of Section 113 of the Act, authorized representatives of Institutional / Corporate Shareholders may be appointed for the purpose of voting through remote e-voting or e-voting during the Meeting and for participation in the Meeting through VC / OAVM facility, provided that such equity shareholders send a scanned copy (PDF / JPG Format) of their Board or Governing Body resolution / authorization etc., authorizing their representative to attend the Meeting through VC on their behalf, vote through e-voting during the Meeting and/or to vote through remote e-voting, to the scrutinizer at Milind.kasodekar@kmdscs.com with a copy marked to secretarial@ismt.co.in by quoting the concerned DP ID and Client ID or Folio Number, before the remote e-voting or e-voting during the Meeting, as the case may be.



Equity Shareholders are requested to consider, and if thought fit, to pass with requisite majority, the following resolution:

“RESOLVED THAT pursuant to and in accordance with the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other rules, circulars and notifications made thereunder (including any amendment, statutory modification, variation or re-enactment thereof for the time being in force) as may be applicable; Section 2(1B) of the Income-tax Act, 1961; the Securities and Exchange Board of India Act, 1992 and the regulations thereunder including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be applicable; and any other applicable laws and regulations, including such other directions, guidelines or regulations issued / notified by the Securities and Exchange Board of India, the stock exchange(s), which may be applicable, any and all of which as notified or as may be amended from time to time and including any statutory replacement or re-enactment thereof, if any; the Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20 June 2023 issued by the Securities and Exchange Board of India; the no adverse observations letter issued by BSE Limited & NSE dated 25 July 2023; and subject to the provisions of the Memorandum of Association and Articles of Association of ISMT Limited (“**Company**”); and subject to the approval of Hon’ble National Company Law Tribunal, Mumbai Bench, Mumbai (“**NCLT**”); and subject to receipt of all the permissions and consents specified in the Scheme of Arrangement and Merger of the Company with and into Kirloskar Ferrous Industries Limited (“**KFIL**”) and their respective shareholders (“**Scheme**”), as may be necessary; and subject to such conditions and modifications as may be prescribed or imposed by the NCLT or by any regulatory or other authorities, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “**Board**”, which term shall be deemed to mean and include one or more committee(s) constituted / to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the arrangement embodied in the Scheme, the draft of which was circulated along with this Notice, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper.”



TAKE FURTHER NOTICE that:

- a) in compliance with the provisions of (i) MCA Circulars; (ii) Sections 108 and 230 of the Act read with the rules framed thereunder, as amended; (iii) Regulation 44 and other applicable provisions of the SEBI Listing Regulations, as amended; (iv) Master Circular No. *SEBI/HO/CFD/POD-2/P/CIR/2023/93* dated 20 June 2023 issued by the SEBI and (v) Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, the Transferor Company has engaged the services of CDSL for the purpose of providing facility of voting by remote e-voting and e-voting during the Meeting, as the case may be, so as to enable the equity shareholders, which includes the Public Shareholders (as defined in the Notes below), to consider and approve the Scheme by way of the aforesaid resolution. Accordingly, voting by equity shareholders of the Transferor Company to the Scheme shall be carried out only through remote e-voting and e-voting during the Meeting;
- b) in compliance with the aforesaid MCA Circulars and the Order passed by NCLT, (a) the aforesaid Notice, (b) the Scheme, (c) the explanatory statement under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Merger Rules and any other applicable provisions of Act and the rules made thereunder and (d) the enclosures as indicated in the Index (collectively referred to as “**Particulars**”), are being sent through electronic mode to those equity shareholders, whose e-mail addresses are registered with the Transferor Company, the Registrar and Share Transfer Agent of the Transferor Company and/or the concerned depositories. The aforesaid Particulars are being sent to all the equity shareholders whose names appear in the register of members / list of beneficial owners on Friday, 2 February 2024.

Equity Shareholders holding shares in physical mode and whose email ids are not registered, are requested to register their email id with KFin Technologies Limited (RTA) at einward.ris@kfintech.com with copy to secretarial@ismt.co.in by sending a duly signed request letter mentioning their name as registered with the RTA, address, email id, mobile number, self- attested copy of PAN, DPID/ Client id or folio number and number of shares held. Shareholders holding shares in dematerialized mode are requested to register/update their email address with the relevant Depository Participants.

- c) the equity shareholders may note that the aforesaid Particulars will be available on the Transferor Company’s website www.ismt.co.in websites of the Stock Exchanges i.e. BSE at www.bseindia.com, NSE at www.nseindia.com and on the website of CDSL at www.evotingindia.com;
- d) the Transferor Company has extended the remote e-voting facility for its equity shareholders, which includes the Public Shareholders, to enable them to cast their votes electronically. The instructions for remote e-voting and e-voting during the Meeting are appended to the Notice. The equity shareholders, which includes the Public Shareholders, opting to cast their votes by remote e-voting or e-voting during the Meeting are requested



to read the instructions in the Notes appended to this Notice. In case of remote e-voting, the votes should be cast from Monday, 11 March 2024 at 9:00 a.m. (IST) to Wednesday, 13 March 2024 at 5:00 p.m. (IST).

- e) Any person, who becomes an equity shareholder of the Transferor Company after dispatch of the Notice and whose names appear in the records of the Transferor Company as on the Cut-Off Date, may cast the vote by following the instructions of remote e-voting and e-voting during the Meeting provided in this Notice.
- f) that the scrutinizer shall after the conclusion of e-voting at the Meeting, first download the votes cast during the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Transferor Company and shall make a Consolidated Scrutinizer's Report of the total votes cast in favor or against, invalid votes, if any, and whether the resolution has been carried or not, and submit his combined report to the Chairperson of the Meeting. Thereafter, the Chairperson or person authorized by him in writing shall declare the result of the voting. The scrutinizer will also separately indicate the result of the remote e-voting and e-voting during the Meeting in respect of the Public Shareholders. The Scrutinizer's decision on the validity of the votes shall be final. The results of the votes cast through remote e-voting and e-voting during the Meeting including separate results of the remote e-voting and e-voting during the Meeting exercised by the Public Shareholders, will be announced within the stipulated time. The results, together with the scrutinizer's report, shall be communicated to BSE and NSE and will be displayed at the Registered Office and on the website of the Transferor Company and on the website of CDSL at www.evotingindia.com
- g) The result of the Meeting shall be submitted to NCLT by the Chairperson of the Meeting or authorized person in the prescribed form along with the Scrutinizer's Report and the same shall be displayed at the Registered Office of the Transferor Company and its website www.ismt.co.in and on the website of CDSL at www.evotingindia.com immediately after submission. Further the result of the voting shall be reported to BSE & NSE.
- h) Subject to the receipt of requisite majority of votes in favor of the Scheme, the resolution shall be deemed to have been passed on the date of the Meeting, i.e., on 14 March 2024.

sd/-

Mr. D. P. Semwal
Chairperson for the Meeting
Date : 8 February 2024
Place: Pune



NOTES

Instructions for participating in the Meeting through VC and e-voting

1. Only registered equity shareholders of the Transferor Company as on the Cut-Off Date may attend the said Meeting of the equity shareholders of the Company, being conducted through VC/OAVM and vote by remote e-voting or e-voting during the Meeting.
2. Explanatory statement under Sections 230(3), 232(1), 232(2) and 102 of the Act read with Rule 6(3) of the Merger Rules, in respect of the business set out in the Notice, is annexed hereto.
3. Equity shareholders attending the Meeting through VC/ OAVM will be counted for the purpose of reckoning the quorum as prescribed under Section 103 of the Act. In case the required quorum as stated above is not present at the commencement of the meeting, the meeting shall be adjourned by 30 (thirty) minutes and thereafter, the shareholders present shall be deemed to constitute the quorum.
4. In terms of the directions contained in the Order, the notice convening the Meeting will be published by the Transferor Company through advertisement in the Financial Express (Pune Edition) in English language, having nationwide circulation and in Loksatta (Pune Edition) in Marathi language, having circulation in Pune indicating the day, date, place and time of the Meeting and stating that the copy of the Scheme, the explanatory statement required to be furnished pursuant to Sections 230 to 232 of the Act can be obtained free of charge by sending an email mentioning DP ID and Client ID / Folio Number and shareholding to the Transferor Company at secretarial@ismt.co.in
5. CDSL will provide the facility for voting by the equity shareholders through remote e-voting / e-voting during the Meeting and, for participation during the Meeting through VC / OAVM facility.
6. All the documents referred to in the accompanying explanatory statement, shall be available for inspection at the website of the Transferor Company at www.ismt.co.in A transcript of the Meeting shall also be made available on the website of the Transferor Company.
7. Master Circular No. *SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20 June 2023*, as amended from time to time issued by the SEBI (hereinafter referred to as the “**SEBI Circular**”), inter alia, provides that the approval of Public Shareholders of the Transferor Company to the Scheme shall be obtained by way of voting through remote e-voting and e-voting during the Meeting. Since, the Transferor Company is seeking the approval of its equity shareholders (which includes Public Shareholders) to the Scheme by way of voting through remote e-voting and e-voting during the Meeting, no separate procedure for



voting through remote e-voting and e-voting during the Meeting would be required to be carried out by the Transferor Company for seeking the approval to the Scheme by its Public Shareholders in terms of the SEBI Circular. The aforesaid notice sent to the equity shareholders (which includes Public Shareholders) of the Transferor Company would be deemed to be the notice sent to the Public Shareholders of the Transferor Company. For this purpose, the term “**Public**” shall have the meaning assigned to it in Rule 2 of the Securities Contracts (Regulations) Rules, 1957 and the term “**Public Shareholders**” shall be construed accordingly. In terms of SEBI Circular, the Transferor Company has provided the facility of voting by remote e-voting and e-voting during the Meeting to its Public Shareholders.

NCLT, by its Order, has, inter alia, held that since the Transferor Company is directed to convene a Meeting of its equity shareholders, which includes Public Shareholders, and the voting in respect of the equity shareholders, which includes Public Shareholders, is through remote e-voting and e-voting during the Meeting, the same is in sufficient compliance of the SEBI Circular.

8. The Scheme shall be considered approved by the equity shareholders of the Transferor Company if the resolution mentioned in the Notice has been approved by the requisite majority of equity shareholders in terms of the provisions of Sections 230 to 232 of the Act.
9. Further, in accordance with the SEBI Circular, the Scheme shall be acted upon only if the number of votes cast by the Public Shareholders (through remote e-voting and e-voting during the Meeting) in favour of the aforesaid resolution for approval of Scheme is more than the number of votes cast by the Public Shareholders against it.
10. In case of joint holders, an equity shareholder whose name appears first in the order of names as per the Register of Members of the Transferor Company will be entitled to vote at the Meeting, provided the votes are not already cast through remote e-voting.

E-VOTING FACILITY:

- a) Members can login to www.evotingindia.com, to join the meeting through VC, 15 minutes before and after the scheduled time of commencement of the meeting. Participation through VC is available to 1,000 members on first come first serve basis.
- b) Instructions for E-Voting:
 - i. E-Voting begins on Monday, 11 March 2024, at 9.00 AM (IST) and ends on Wednesday, 13 March 2024 at 5.00 PM (IST). Thereafter, the same shall be disabled. Members as on cut-off date of March 7, 2024, can cast votes.
 - ii. Members who have voted prior to the date of the meeting would not be entitled to vote at the meeting.



- iii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 December 2020, under Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that participation by public non-institutional shareholders/ retail shareholders is at a negligible level.
- iv. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility. This necessitates registration on various ESPs & maintenance of multiple login credentials by shareholders.
- v. To improve efficiency of e-voting process, it has been decided to enable e-voting to demat account holders, by way of single login credential, thru demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast vote without registering again with ESPs, thereby, facilitating seamless authentication & also enhancing ease and convenience of participating in e-voting.
- vi. Members are advised to update mobile number & email Id in relation to their demat account to access e-Voting facility.
- vii. Pursuant to the aforesaid SEBI Circular, Login method for e-Voting & joining virtual meetings for Individual shareholders holding shares in Demat mode is:

Type of shareholder	Login Method
Individual Shareholder holding shares in Demat mode with CDSL	<p>Users opting for CDSL Easi/ Easiest facility, can login thru existing login credentials. Option available to reach e-Voting page without further authentication. URL for users to login to Easi/ Easiest is https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon & select New System Myeasi. After successful login, Easi/ Easiest user will be able to see e-Voting option for eligible companies where e-voting is in progress as per information provided by respective company.</p> <p>On clicking e-voting option, user will be able to see e-Voting page of e-Voting service provider for casting vote during e-Voting period or joining virtual meeting & voting during meeting. Additionally, there is also link provided to access system of all e-Voting Service Providers i.e. CDSL/ NSDL/ KFIN/ LINKINTIME, so that user can visit e-Voting service providers' website directly. If user is not registered for Easi/ Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p>



	<p>Alternatively, user can directly access e-Voting page by providing Demat Number & PAN from e-Voting link available on www.cdsindia.com home page or click on https://evoting.cdsindia.com/Evoting/EvotingLogin. System will authenticate user by sending OTP on registered Mobile Number & Email id as recorded in Demat Account. After successful authentication, user will be able to see e-Voting option where e-voting is in progress & will enable to access system of e-Voting Service Providers.</p>
<p>Individual Shareholders holding shares in demat mode with NSDL</p>	<p>If you are already registered for NSDL IDeAS facility, please visit e-Services website of NSDL. Open web browser https://eservices.nsdl.com either on Computer or mobile. Once home page is launched, click “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. Enter your login credential. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services & you will be able to see e-Voting page. Click on company name or e-Voting service provider name & you will be re-directed to e-Voting service provider website for casting your vote during remote e-Voting period or joining virtual meeting & voting during the meeting. If user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit e-Voting website of NSDL. Open web browser by typing https://www.evoting.nsdl.com/ either on Computer or mobile. Once home page of e-Voting system is launched, click on “Login” which is available under ‘Shareholder/ Member’ section. A new screen will open. Enter your User ID (i.e. 16 digits demat account number held with NSDL), Password/ OTP & Verification Code as shown on screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name & you will be redirected to e-Voting service provider website for casting vote during remote e-Voting period or joining virtual meeting & voting during meeting.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>



Login method for e-Voting & joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form-

- i. Members to login to website www.evotingindia.com
- ii. Click on "Shareholders" module.
- iii. Enter your User ID:
 - a. For CDSL: 16 digits beneficiary ID;
 - b. For NSDL: 8 Character DP ID followed by 8 digit Client ID;
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Enter Image Verification as displayed & Click on Login.
- v. If Member holding shares in demat form, logged in to www.evotingindia.com and voted on earlier e-voting of any company, existing password is to be used.
- vi. If Members are a first-time user:

Member holding shares in Demat/ Physical Form	
PAN	Enter 10-digit alpha-numeric PAN issued by the Income Tax Department. Members who have not updated PAN with the Company/ Depositories are requested to use Sequence Number as mentioned in e-mail sent by the Company or contact Company/ KFIN.
Dividend Bank Details OR Date of Birth (DOB)	To login, enter Dividend Bank Details or DOB (in dd/mm/yyyy format) as recorded in your demat account or in the Company records. If both details are not recorded with depository or the Company, enter Members DP ID/ Folio Number in Dividend Bank details field as mentioned in instruction (v).

- vii. After entering these details, click on "SUBMIT" tab.
- viii. Members holding shares physically will reach the company selection screen. Members holding shares in Demat will reach 'Password Creation' menu to enter login/ password in new password field. This password is to be used by demat holders for voting for resolutions of other companies, provided that such companies opts for e-voting through CDSL platform. It is recommended not to share password with any other person & to keep it confidential.
- ix. For those holding shares physically, details can be used only for voting on resolutions contained in this Notice.
- x. Click on the EVSN for 'ISMT Limited'.
- xi. On voting page, Members will see "RESOLUTION DESCRIPTION" & against the same, option "YES/ NO".

Select the option YES/ NO as desired. Option YES implies assent to the Resolution & option NO implies dissent to the Resolution.
- xii. Click on "RESOLUTIONS FILE LINK" to view the entire Resolution details.



- xiii. After selecting resolution to vote, click “SUBMIT”. A confirmation box will be displayed. To confirm vote, click “OK”, to change vote, click “CANCEL”.
- xiv. Once vote is "CONFIRM", Members will not be allowed to modify the vote.
- xv. If Demat holder has forgotten login/ password, Enter User ID & image verification code & click on Forgot Password & enter details as prompted by the system.
- xvi. Member can also cast vote using CDSL’s mobile app “m-Voting” available on Play Store/ Google Play. Please follow instructions as prompted by app.

c) Process for Members whose e-mail IDs are not registered with the Company/ Depositories:

- i. For Physical shareholders- please provide necessary details like Folio No., Name, scanned copy of share certificate (front & back), PAN (self-attested scanned copy of PAN), AADHAR (self-attested scanned copy of Aadhar) by e-mail to secretarial@ismt.co.in
- ii. For Demat shareholders- please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN), AADHAR (self-attested scanned copy of Aadhar) by e-mail to secretarial@ismt.co.in.
- iii. For Individual Demat shareholders – please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

d) Instruction for shareholders attending meeting through VC:

- i. Members will be provided with facility to attend meeting through VC/ OAVM through CDSL e-Voting system by accessing at <https://www.evotingindia.com> under shareholders/ Members login by using e-voting credentials. The link for VC/ OAVM will be available in shareholder/ members login where EVSN of the Company will be displayed.
- ii. Members are encouraged to join meeting through Laptops/ IPads for better experience.
- iii. Members have to allow Camera & use high speed Internet to avoid any disturbance during the meeting.
- iv. Members connecting from Mobile, Tablets or Laptop via Mobile Hotspot may experience Audio/ Video loss due to fluctuation in network. Hence, it is recommended to use stable Wi-Fi/ LAN connection to avoid aforesaid glitches.
- v. Members want to express views/ ask queries during the meeting may register as speaker by sending request 7 days prior to the meeting by mentioning name, Demat/ folio number, mobile number at secretarial@ismt.co.in . Members having queries may send the same 7 days prior to the meeting by mentioning name, demat/ folio number, mobile number at secretarial@ismt.co.in
- vi. Members who have registered as speakers alone will be allowed to express views/ ask queries during meeting.



e) Instructions for Members e-voting during meeting:

- i. Procedure for e-Voting during meeting is same as above.
- ii. Members who are present in meeting through VC/ OAVM facility & have not casted their vote through remote e-voting & are otherwise not barred from doing so, shall be eligible to vote through CDSL e-voting system during the meeting.
- iii. If votes cast by a Member through e-voting during meeting but has not participated in meeting through VC/ OAVM, such votes cast shall be considered invalid.
- iv. Members voted through Remote e-Voting will be eligible to attend meeting but can't vote at the meeting.

f) Note for Non-Individual Members & Custodians:

- i. Non-Individual Members (other than HUF, NRI etc.) & Custodians required to login to www.evotingindia.com & register in "Corporates" module.
- ii. Scanned copy of Registration Form bearing stamp & sign of entity be e-mailed to helpdesk.evoting@cdslindia.com.
- iii. After receiving login details, a Compliance User be created using admin login & password. Compliance User would be able to link account(s) for which they wish to vote on.
- iv. List of accounts linked in login should be mailed to helpdesk.evoting@cdslindia.com & on approval of accounts they would be able to cast their vote.
- v. Scanned copy of Board Resolution & Power of Attorney issued in favour of Custodian, if any, be uploaded in PDF in CDSL e-voting system for Scrutinizer's verification.
- vi. Alternatively, Non-Individual Members can send relevant Board Resolution/ Authority letter etc. together with attested specimen signature of authorized signatory authorized to vote, to the Company at secretarial@ismt.co.in if they have voted from individual tab & not uploaded the same in CDSL e-voting system for Scrutinizer's verification.

For queries, Members may refer Frequently Asked Questions (FAQs) & e-voting manual available at www.evotingindia.com under help section or write to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738), Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

Grievances relating to e-voting may be addressed to Mr. Rakesh Dalvi, Manager, CDSL, A Wing, 25th Floor, Marathon Futurex, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or e-mail to helpdesk.evoting@cdslindia.com.

- g) Institutional Members (other than HUF, NRI, etc.) to send scanned copy (PDF/ JPG) of Board Resolution/ Authority Letter, along with attested specimen signature of signatories authorized to vote to Scrutinizer by e-mail at Milind.kasodekar@kmdscs.com or upload the same in e-voting module in their login. Scanned image of above documents should be in naming format "Corporate Name_EVEN NO."
- h) Voting shall be as per number of shares held by Members as on March 7, 2024 ('Cut-off date'). Members are eligible to cast vote electronically only if they are holding shares as on Cut-off date. A person who is not a Member as on Cut-off date should treat this Notice for information purpose only.



- i) Voting by members shall be in proportion to their share in the paid-up equity share capital of the Company as on Cut-off date.
- j) A person whose name is recorded in Register of Members or in register of beneficial owners maintained by depositories as on Cut-off date shall alone be entitled to avail the facility of e-voting.
- k) Procedure for e-voting during the meeting is same as mentioned above since meeting is being held through VC.
1. Chairman shall, at meeting, at the end of discussion on resolutions on which voting is to be held, allow voting, by using e-voting system for members present in meeting through VC facility but have not cast vote and are otherwise not barred from doing so. E-voting module during meeting shall be disabled 15 minutes after conclusion of the meeting.
 2. Scrutinizer shall make, within two working days after conclusion of the meeting, a report of votes cast in favor/ against the resolutions, invalid votes, if any, & whether Resolutions have been carried or not, to the Chairman or the person authorized by him.
 3. Results along with Scrutinizer's Report shall be placed on website www.ismt.co.in and on website of CDSL, BSE Ltd & National Stock Exchange of India Ltd.
 4. Members are further requested to:
 - Intimate changes in address/ bank mandate & e-mail ID to einward.ris@kfintech.com for shares held in physical form & to Depository Participants for shares held in Demat form.
 - Quote folio number/ DP ID/ Client ID in all correspondence with the Company or KFIN.
 - Intimate about consolidation of folios to KFIN, if your shareholding is under multiple folios.
 - Effective April 1, 2019, requests for effecting transfer of shares in physical form shall not be processed unless held in Demat form with Depository. Hence, Members are requested to convert their physical shares into Demat form.
 - Surrender to KFIN, old share certificates of erstwhile Indian Seamless Steels & Alloys Ltd for exchange with confirmation letter which can be submitted with the Depository Participant for dematerialization of the shares.
 5. The Company has designated an exclusive e-mail ID viz. secretarial@ismt.co.in to enable Members to register their queries/ complaints.
 6. MCA has initiated "Green Initiative in Corporate Governance" by allowing paperless compliances by companies & has issued circulars stating that service of notice/ documents including Annual Reports can be sent by e-mail to members to ensure prompt receipt of communication & avoid loss in transit. These documents can be downloaded from Company's website: www.ismt.co.in Members who have not registered their e-mail id are requested to register the same by sending e-mail to: einward.ris@kfintech.com with subject 'E-mail for Green Initiative' mentioning Folio No./ DP Id/ Client Id. Members holding shares in electronic form may register/ update their e-mail id through concerned Depository Participant(s).



7. Pursuant to the SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16 March 2023, it is mandatory for all holders of physical securities of the Company to furnish PAN, Nomination, Contact details, Bank A/c details and specimen signature for their corresponding folio numbers. The folios wherein any one of the cited documents are not available on or after 1 October 2023, shall be frozen by the RTA of the Company.

Securities holders whose folios have been frozen shall be eligible-

- a. To lodge grievance or avail any service request from the RTA only after furnishing the complete documents/ details as mentioned in the said SEBI Circular.
- b. For any payment including dividend, interest or redemption payment in respect of such frozen folios, only through electronic mode with effect from 1 April 2024

Frozen folios shall be referred by the RTA/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/ or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on 31 December 2025.

RTA shall revert the frozen folios to normal status upon receipt of all the documents/ details as required under the aforesaid SEBI Circular.

In this regard, the Company has, in May, 2023, sent communication (via e-mail and post) to all shareholders who have not updated their KYC details, as mentioned above, with a request to update the same by sending the documents at below address-

**KFin Technologies Limited
Unit: ISMT Limited**

Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032

The shareholders who are yet to update KYC documents are requested to do the needful by sending the same at the aforesaid address or can e-mail the duly signed and scanned documents through registered e-mail id to einward.ris@kfintech.com

Relevant forms can be downloaded from website of the RTA- https://ris.kfintech.com/clientservices/isc/#isc_download_hrd

General Instructions

1. An individual holding shares in demat mode who becomes an equity shareholder of the Transferor Company after sending of the Notice and holding shares as on the Cut-Off Date, may follow steps mentioned above for casting his/ her vote during the remote e-voting period or joining virtual meeting and voting during the Meeting.
2. A person to whom the Notice of the meeting was served but who is not an equity shareholder as on the Cut-Off Date for e-voting should treat this Notice solely for information purposes.



3. Equity shareholders having any queries or questions may send the same to secretarial@ismt.co.in at least 7 days prior to the date of the Meeting. This would enable the Transferor Company to keep the responses ready at the Meeting.
4. Equity shareholders, who would like to express their views or ask questions during the Meeting may register themselves by sending an e-mail to secretarial@ismt.co.in. Only those equity shareholders who are registered will be allowed to express their views or ask questions. Equity shareholders intending to speak at the Meeting would require microphone and speakers – built-in or USB plug-in or wireless Bluetooth.
5. In case an equity shareholder is desirous of obtaining the Notice in printed form, he/she/it may write to the Transferor Company or send an e-mail to secretarial@ismt.co.in.



EXPLANATORY STATEMENT TO THE NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF ISMT LIMITED

1. Pursuant to an order pronounced on 4 January 2024 read with that of 16 January 2024, by the Hon'ble National Company Law Tribunal (“**Order**”), Mumbai Bench (“**NCLT**”) in the Company Application No. 238 of 2023, a meeting of the Equity Shareholders of ISMT Limited (“**ISMT**”, “**Company**” or “**Transferor Company**”) is being convened for the purpose of considering, and if thought fit, approving the proposed Scheme of Arrangement and Merger of the Company with and into Kirloskar Ferrous Industries Limited (“**KFIL**” or “**Transferee Company**”) and their respective shareholders (“**Scheme**”), under Sections 230 to 232, and other applicable provisions of the Companies Act, 2013 (“**Act**”). The Company and KFIL are together referred to as the “**Companies**”.

This is a statement accompanying the Notice for the Meeting as required under the Act. The Meeting is being convened as per the details given below:

Day	Thursday
Date	14 March 2024
Time	11:00 a.m. (IST)

2. A copy of the Scheme which has been, *inter alia*, approved by the Audit Committee and the Board of Directors of the Companies at their respective meetings held on 4 November 2022 and adjourned to 5 November 2022, is enclosed as **Annexure - 1**. Capitalized terms used herein but not defined shall have the meaning assigned to them in the Scheme, unless otherwise stated.
3. The Scheme, *inter-alia*, provides for the following:
 - A. the merger of the Transferor Company with the Transferee Company and consequent dissolution of the Transferor Company without winding up, the consequent issue of fully paid-up equity shares by the Transferee Company to the shareholders of the Transferor Company in accordance with the Share Exchange Ratio (*defined below*) (“**Merger**”); and
 - B. various other matters consequential or integrally connected therewith;



pursuant to Sections 230 to 232 and other applicable provisions of the Act, the provisions of the master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20 June 2023, as amended from time to time or any other circulars issued by the Securities and Exchange Board of India (“SEBI”), applicable to schemes of arrangement, as amended from time to time (“SEBI Scheme Circular”) and the Income Tax Act, 1961, including Section 2(1B) thereof, in the manner provided for in the Scheme.

4. The equity shareholders of the Transferor Company would be entitled to vote by remote e-voting prior to the Meeting or by e-voting during the Meeting. The quorum of the Meeting shall be 30 (thirty) equity shareholders of the Transferee Company present through VC/ OAVM. As per the Order, in case the required quorum as stated above is not present at the commencement of the meeting, the meeting shall be adjourned by 30 (thirty) minutes and thereafter, the shareholders present shall be deemed to constitute the quorum.
5. In terms of the said Order, the NCLT has appointed Mr. D. P. Semwal as Chairperson of the Meeting.
6. The Transferee Company and Transferor Company have filed the Scheme in Form No. GNL-1 with the Registrar of Companies, Pune.
7. **Details as per Rule 6(3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (“Merger Rules”)**

i. **Details of the order of the NCLT directing the calling, convening and conducting of the Meeting:**

Please refer to paragraph no. 1 of this Explanatory Statement for date of the Order and the date, time and venue of the NCLT Convened Meeting.

ii. **Details of the Companies:**

ISMT Limited

- a) Date of Incorporation: 1 September, 1999
- b) Corporate Identification Number: L27109PN1999PLC016417
- c) Permanent Account Number: AAACJ9917A
- d) Type of Company: Listed Public Limited Company
- e) Registered Office: Panama House (earlier known as “Lunkad Towers”), Vimannagar, Pune 411014, Maharashtra, India



- f) Email Address: secretarial@ismt.co.in
- g) Name of the Stock Exchange(s) where securities of the Transferor Company are listed: Equity shares of the Transferor Company are listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”).

Kirloskar Ferrous Industries Limited

- a) Date of Incorporation: 10 September 1991
- b) Corporate Identification Number: L27101PN1991PLC063223
- c) Permanent Account Number: AAACK7297E
- d) Type of Company: Listed Public Limited Company
- e) Registered Office: 13 Laxmanrao Kirloskar Road, Khadki, Pune - 411003, Maharashtra, India
- f) Email Address: kfilinvestor@kirloskar.com
- g) Name of the stock exchange(s) where securities of the Transferee Company are listed: Equity shares of the Transferee Company are listed on BSE. Unsecured redeemable listed rated non-convertible debentures issued by the Transferee Company are listed on the wholesale debt market segment of BSE.

iii. **Other particulars of the Transferor Company as per Rule 6(3) of the Merger Rules:**

ISMT Limited

- (a) **Summary of the main objects as per the Memorandum of Association and main business carried on by the Transferor Company:**

The objects for which the Transferor Company has been established are set out in its Memorandum of Association. The relevant object clauses as set out in Clause III(A) of the Memorandum of Association are, *inter alia*, reproduced hereunder:

“A. THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION

1. To carry on business as distributor, dealer, collector, agents, brokers, representatives, stockists, warehousemen, packers, importers, exporters, in or any other capacity in India or elsewhere, and to import, export buy, sell, or otherwise trade and dealing merchandise, goods, machinery and equipment, including agricultural products, vanaspati, farms products, floriculture products, hatcheries products, tobacco products, cigarettes, food & dairy products, sugar, breweries, distilleries products, merchandise, machinery, spares accessories, all or any of them related to industries such as textiles, including, yarn, jute, wool, silk, garments, glass and glass products, laminates, synthetics, electrical, electronics, scientific, automobile, auto ancillaries, tyres, chemicals (organic or inorganic, specialities), dyes and pigments, alkalies, petrochemicals, polymers, oil and lubricants, personal care products, cosmetics, pharmaceuticals, fertilisers, pesticides, agrochemical, soaps, and detergents, sodas, starch, minerals, stone, granites and marbles, ceramics, precious metal, leather and leather products; leather chemicals, tea, coffee, piece of arts jewellery ornaments precious and semiprecious stones, diamonds, granites, marbles and other stones, metals, coke, steel, aluminum, copper, zinc, Ferro alloys, bearings, cables, pipes, tubes, cements and cement products, paper, printing and stationery, paints/varnishes, plastic and products, molded luggage, packing and packaging materials, rubber and rubber products, ' musicals and sports goods, photographic and allied products, garments, livestock, books, abrasives, aerated water, watches and accessories, airconditioners, refrigerators, compressors, pumps, engines, hydraulics, drilling equipments, industrial gas, industrial explosives, machine tools, medical accessories, disposable equipment, fire-protection equipments, pollution control equipment telecommunication equipments, electrical, lighting systems, electrodes, computers and peripherals, hardware, software, entertainment/electronic media software, domestic appliances like cookers, fans, mixer, office equipment like photocopies, electronic media like television, audio, video appliances, typewriters, and other goods, commodities, products, things spares, accessories supplied by any Company, firm, association of persons, body whether incorporate or not, individuals, or any local authority, as wholeseller, retailer, on the basis of ready delivery or forward contract, commission basis or otherwise.



2. To carry on the business of manufacturing, processing melting, buying, selling and otherwise dealing in including exporting importing and acting as agents in iron, steel, sponge iron, cast iron, iron ore and all other ferrous and non ferrous metals and metal ores.

3. To produce, manufacture, deal in and sell all grades, types, qualities, shapes, categories and descriptions of mild and tool, alloy and special steels including interalia, alloy constructional steel, case hardening steel, high speed steel, ball bearing steel, fast-cutting steel, hot die steel, die steel, alloy spring, stainless and heat-resisting steel, carbon tool steel, polished drill rods, silver steel, mining drill steel, high silicon and electrical steel, creep-resisting steel, valve steel, magnet steel, silicon manganese steel and re cutting quality steel, faggot steel, armour steel, shell steel and high tensile steel.

4. To carry on business of manufacture, processing, refining, import, export, storage, sale, exploration, mining, dealers, research and prospecting in all ores, metals, minerals, ferrous and non ferrous materials including any mixture, compound, derivatives and amalgams and their products of any kind, type or description.

5. To carry on the business of iron founders, iron workers, iron masters, steel makers, steel founders, non ferrous, metal founders, furnace proprietors land operators, ore and metal workers, manufactures of grinding media, pipes, tubes, millwrights, machinists, iron and steel converters, smiths, miners, explores, smelters, prospectors, refiners of all other minerals and metals and to buy, sell manufacture, repair, recondition, convert, alter, renovate, lease, store, let on hire, exchange and otherwise deal in or with all machinery equipment, accessories, implements, spares, rolling stock, scarps, disposables, tools metal, minerals and hardware of every kind or type.

6. To carry on business of designing, proto-typing, manufacturing, processing, repairing, renovating, developing, improving and otherwise in any matter dealing in forging discs, dies, plates, wires, sheets, brass structure and rolling works of all kinds of ferrous and non ferrous metals alloys in any way and for any purposes whatsoever including rods, bars, wires, ropes, sheets, nuts, screws, rivets, washers, nails, hinger hooks, tower bolts, spikes, chains, columns, trusser railing, grills, devices and building or other materials of every kind and type.”



Clause III(B)(29) of the Memorandum of Association of the Transferor Company which contain provisions for amalgamations and arrangements, are reproduced herein below:

“29. To amalgamate, merge, sell or dispose off the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, fully or partly paid debentures or debenture stock (redeemable or perpetual) or securities of any other company whether or not having objects altogether or in part similar to those of this Company, and to distribute any such shares, debentures, debentures stock or securities amongst the members of this Company either by way of dividends or return upon any Capital.”

(b) Details of change of name, registered office and objects of the Transferor Company during the last 5 (five) years

(A) Change of Name: There is no change of name during the last 5 (five) years.

(B) Change of Registered Office: There is no change of registered office during the last 5 (five) years.

(C) Change of objects: There has been no change in objects clause during the last 5 (five) years.

(c) Details of the capital structure of the Transferor Company including authorized, issued, subscribed and paid-up share capital:

The total authorised, subscribed and paid-up share capital of the Transferor Company as on 5 November 2022 i.e. the date on which the board of directors of the Transferor Company approved the Scheme was as under:



Particulars	Rs. (In Crores)
Authorised Share Capital:	
31,70,00,000 Equity Shares of Rs. 5 each	158.50
Total	158.50
Issued, and Subscribed and Paid-up Share Capital:	
30,05,01,383 Equity Shares of Rs. 5 each	150.25
Total	150.25

There is no change in the capital of the Transferor Company set out above since 5 November 2022.

(d) **Details of Promoters and Directors of the Transferor Company along with their addresses**

The details of the Promoters of the Transferor Company are as under:

Sr No.	Name	Address
1.	Kirloskar Ferrous Industries Limited	13 Laxmanrao Kirloskar Road, Khadki, Pune 411003
2.	Baldevraj Topanram Taneja	3, Kasturba Samadhi Road, Near Aga Khan Palace, Off Nagar Road, Pune 411006
3.	Savitri Devi Surekha	29/E, Ramakrishna Samadhi Road, Opp. Vivekanand Park, Kolkata 700054.
4.	Asscher Enterprises Limited (Formerly known as Indian Seamless Enterprises Limited)	503, 5th Floor, Lunkad Sky Station Co-op Premises Society Limited, Viman Nagar, Pune 411014



The details of the Directors of the Transferor Company are as under:

Sr No.	Name	Designation	Residential Address
1.	Rahul Kirloskar	Chairperson & Non-Executive Non-Independent Director	Lakaki Compound, Model Colony, Shivajinagar, Pune 411016
2.	Ravindranath Gumaste	Non-Executive Non-Independent Director	“Nakutanti”, Plot No. 27 & 34, Annapurna Badavane, Opp Municipal Ground, Bellary District, Hospet - 583201
3.	Nishikant Ektare	Managing Director	Tower F, Flat No-1201 Panchshil Towers Gat No HAVELI Wagholi CT, Pune 412207
4.	Shalini Sarin	Independent Director	C-248, Defence colony, New Delhi 110024
5.	S. Venkataramani	Independent Director	16/12 & 16/13, “Nriitya Apartments” Ground Floor, Between 6th and 8th Main, 18th Cross Road, Malleswaram, Bengaluru 560055
6.	Kanakraj Madhavan	Independent Director	T-5 Legacy Casero, 28 Jakkur Plantation Road, Jakkur, Bangalore 560064

- (e) **The date of the Board Meeting of the Transferor Company at which the Scheme was approved by the Board of Directors including the names of the Directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:**

The Board of Directors of the Transferor Company approved the Scheme at its meeting held on 4 November, 2022 and adjourned to 5 November, 2022 and the details of the manner in which the Directors of the Transferor Company voted at this meeting are as follows:



Sr No.	Name	Voted in favour/ against/ abstained
1.	Rahul Kirloskar	In favour
2.	Ravindranath Gumaste	In favour
3.	Nishikant Ektare	In favour
4.	Rajiv Goel	In favour
5.	R Poornalingam	In favour
6.	Kanakraj Madhavan	In favour
7.	Shalini Sarin	In favour
8.	S. Venkataramani	In favour

- (f) As of 31 July 2023, the Transferor Company has 3 (three) Secured Creditors and amount due to such Secured Creditors is INR 115,31,25,258/- (Indian Rupees One Hundred and Fifteen Crores Thirty-One Lakhs Twenty-Five Thousand Two Hundred and Fifty Eight Only). As of July 31, 2023, the Transferor Company has 1,079 (one thousand and seventy-nine) Unsecured Creditors and amount due to such Unsecured Creditors is INR 159,46,01,122.88/- (Indian Rupees One Hundred and Fifty-Nine Crores Forty Six Lakhs One Thousand One Hundred and Twenty Two and Eighty Eight Paise Only).
- (g) None of the Directors, the Key Managerial Personnels (as defined under the Act) of the Transferor Company and their respective Relatives (as defined under the Act) have any material interests on which the Scheme has an effect, except to the extent of their respective shareholding in the Transferee Company and the Transferor Company, if any, and/or to the extent the said directors are common directors of the Transferee Company and the Transferor Company (as applicable), if any. The composition of the board of directors of the Transferor Company may change by appointments, retirements, resignations or otherwise in accordance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”), Memorandum of Association and Articles of Association of the Company.



The details of the shareholding of the Directors and Key Managerial Personnel of the Transferor Company as on 31 December 2023 is as under:

Sr No.	Name	Designation	No. of shares in the Transferee Company	No. of shares in the Transferor Company
1.	Rahul Kirloskar	Chairperson & Non-Executive Director	14,25,279	Nil
2.	Ravindranath Gumaste	Non-Executive Director	8,87,521	Nil
3.	Nishikant Ektare	Executive Director, MD	1,17,000	Nil
4.	Kanakraj Madhavan	Independent Director	Nil	2,502
5.	Shalini Sarin	Independent Director	Nil	Nil
6.	S. Venkataramani	Independent Director	Nil	Nil
7.	R. S. Srivatsan	Chief Financial Officer	1,50,000	Nil
8.	Mayuresh Gharpure	Company Secretary	10,000	Nil

(h) Disclosure about the effect of the Scheme on the various stakeholders of the Transferor Company:

Sr No.	Category of Stakeholder	Effect of Scheme on Stakeholder
1.	Shareholders	The Transferor Company has equity shareholders and does not have any other class of shareholders.

Sr No.	Category of Stakeholder	Effect of Scheme on Stakeholder
		<p>Upon the Scheme coming into effect, Transferee Company will allot its equity shares, credited as fully-paid up, to all shareholders of the Transferor Company whose name appear in the register of members of the Transferor Company on the Record Date (<i>as defined under the Scheme</i>) or to their respective heirs, executors, administrators or other legal representatives or successors in title as on Record Date in the following manner:</p> <p><i>“17 Transferee Company Shares, credited as fully paid-up, for every 100 equity shares of the face value of Rs. 5 each fully paid-up held by such member in the Transferor Company (“Share Exchange Ratio”).”</i></p> <p>These equity shares will rank <i>pari passu</i> with all other shares of the Transferee Company and will be listed on the Stock Exchanges. The Transferee Company will not issue any shares in lieu of its existing shareholding in the Transferor Company.</p> <p>The Scheme is expected to have several benefits for the Transferor Company as indicated in the rationale of the Scheme set out below and is expected to be in the best interests of the shareholders of the Transferor Company.</p>
2.	Promoters	<p>The Transferee Company is one of the Promoters of the Transferor Company and that, subsequent to the Scheme coming into effect, the other</p>



Sr No.	Category of Stakeholder	Effect of Scheme on Stakeholder
		Promoters of the Transferor Company will not be designated as promoters of the Transferee Company. The Transferee Company will not be receiving shares of the Transferor Company as the Transferee Company cannot issue shares to itself under the applicable law.
3.	Non-Promoter Shareholders	Please refer point (1) above regarding effect on the shareholders, which will be applicable for all the Non-promoter shareholders.
4.	Key Managerial Personnels	The Scheme by itself has no effect on the KMPs of the Transferor Company. The KMPs of the Transferor Company shall become employees of the Transferee Company.
5.	Creditors	All the liabilities of the Transferor Company shall become the liabilities of the Transferee Company, by virtue of the Merger, with effect from the Appointed Date (<i>as defined in the Scheme</i>) subject to the Scheme being approved by NCLT. The present Scheme <i>inter alia</i> includes the merger of the Transferor Company into the Transferee Company and is in no manner prejudicial to the interests of the Creditors of the Transferor Company.
6.	Directors	None of the Directors of the Transferor Company and their respective Relatives (as defined under the Act) have any material interests on which the Scheme has an effect, except to the extent of their respective shareholding in the Transferee Company and the Transferor Company, if any, and/or to



Sr No.	Category of Stakeholder	Effect of Scheme on Stakeholder
		the extent the said Directors are common directors of the Transferee Company and the Transferor Company (as applicable), if any.
7.	Depositors	There are no depositors. Hence, this is not applicable.
8.	Deposit Trustees	There are no deposit trustees. Hence, this is not applicable.
9.	Debenture Holders	There are no debenture holders. Hence, this is not applicable.
10.	Debenture Trustees	There are no debenture trustees. Hence, this is not applicable.
11.	Employees	There will be no adverse effect of the Scheme on the employees of the Transferor Company

- (i) An investigation into the affairs of the Transferor Company has been instituted under Section 212(1)(a) and (c) of the Act by the Serious Fraud Investigation Office ("**SFIO**"). Basis this investigation, the SFIO filed Petition against Transferor Company & others u/s 241(2), 246 r/w 339 of the Act inter alia, alleging mismanagement and seeking freezing of assets of certain past Key Managerial Personnel. The Transferor Company has also filed interlocutory application No. 124 of 2023 to delete its name from the case as there is no specific prayer at all in the Petition against the Transferor Company and the Transferor Company is merely a proforma party to the aforesaid Petition.



iv. **Other particulars of the Transferee Company as per Rule 6(3) of the Merger Rules:**

Kirloskar Ferrous Industries Limited

(a) **Summary of the Main Objects as per the Memorandum of Association and main business carried on by the Transferee Company:**

The objects for which the Transferee Company has been established are set out in its Memorandum of Association. The relevant object clauses as set out in Clause III(A) of the Memorandum of Association are as hereunder:

“(A) MAIN OBJECTS OF THE COMPANY TO BE PURSUED ON ITS INCORPORATION ARE AS FOLLOWS:

1. To carry on the business of manufacturers, importers, exporters, sellers, purchasers of and dealers in pig iron, sponge iron, wrought iron, alloy steel, steel converts, rolled steel makers, miners, smelters, engineers, founders in all or any of their respective branches, ferro silicon, ferro chrome, alloy steels, ferro alloys and other ferrous substances and metals of every description and grades, to set up Casting and Rolling Mill plant for producing ingots, billets and all kinds of all sizes of re-rolled sections in flats, angles, rounds, squares, rails, joints, channels, strips, sheets, plates, deformed bars, plain and cold twisted bars, tubes and seamless tubes, shaftings, and structurals, metallurgical prospectors, explorers, contractors, agents and to market, buy, sell, import, export, trade or otherwise deal in any or all of the above and to establish workshops for the manufacture of any equipment required for any of the industries which the Company can undertake and to deal in such equipments.

2. To carry on the business of miners, importers and exporters of and dealers in iron ores, chromium ores, magnesite ores, thorium, uranium, asbestos, nickel, copper, lead, tin, bauxite ores and all ferrous and non-ferrous ores of every description and grades whatsoever in any part of the country and to carry on the business of processing, cleaning, melting, forging, grading and machining to convert the ores into marketable metals.”



Clauses III(B)(28) and III(B)(52) of the Memorandum of Association of the Transferee Company which contain provisions for amalgamations and arrangements, are reproduced herein below:

“(28) To amalgamate with any company or companies having objects altogether or in part similar to those of this Company.

(52) To acquire, take up and hold shares, stocks, debentures, debenture-stocks, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or in any foreign country; and also any debentures, debenture-stocks, bonds, obligations and securities issued or guaranteed by any Government, Sovereign Ruler, Commissioner, Public Body or Authority, Supreme, Municipal, Local or otherwise whether in India or in any foreign country; AND to acquire any such shares, stocks, debentures, debenture-stocks, bonds, obligations or securities by original subscription, purchase, exchange or otherwise. To subscribe for, take, purchase or otherwise acquire and hold shares, stock, debentures, debenture-stocks, bonds or other interest in or securities of any other company or body having object altogether or in part similar to those of, this Company or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company and to subscribe for the same, either conditionally or otherwise and to guarantee the subscription thereof, and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.”

(b) Details of change of name, registered office and objects of the Transferee Company during the last 5 (five) years

(A) Change of Name: There is no change of name during the last 5 (five) years.

(B) Change of Registered Office: There is no change of registered office during the last 5 (five) years.

(C) Change of objects: There has been no change in objects clause during the last 5 (five) years.



(c) **Details of the capital structure of the Transferee Company including authorized, issued, subscribed and paid-up share capital:**

The total authorized, subscribed and paid-up share capital of the Transferee Company as on 5 November 2022, the date on which the board of directors of the Transferee Company approved the Scheme was as under:

Particulars	Rs. (In Crores)
Authorized Share Capital:	
21,00,00,000 Equity Shares of Rs. 5 each	105.00
11,70,00,000 Preference Shares of Rs. 10 each	117.00
Total	222.00
Issued, Subscribed and Paid up Share Capital:	
13,88,26,844 Equity Shares of Rs. 5 each	69.41
Total	69.41

Post the date of approval of the Scheme by the Board of Directors of the Transferee Company, the Transferee Company has allotted 471,567 equity shares pursuant to exercise of 471,567 Stock Options. The Transferee Company may grant further Stock Options in the ordinary course of its business during the pendency of the Scheme. Exercise of the aforesaid options will result in a corresponding variation to the issued, subscribed and paid-up share capital of the Transferee Company depicted above. However, the Share Exchange Ratio will not be adjusted on account off any such variation.

As a result of the allotment of equity shares to employees of the Transferee Company, the total authorized, subscribed and paid-up share capital of the Transferee Company as on the date of this statement is as under :



Particulars	Rs. (In Crores)
Authorized Share Capital:	
21,00,00,000 Equity Shares of Rs. 5 each	105.00
11,70,00,000 Preference Shares of Rs. 10 each	117.00
Total	222.00
Issued, Subscribed and Paid up Share Capital:	
13,92,98,411 Equity Shares of Rs. 5 each	69.64
Total	69.64

After the consolidation of the authorized share capital of the Transferor Company with the authorized share capital of the Transferee Company; and post allotment of New Equity Shares pursuant to this Scheme, final share capital structure of the Transferee Company would be as under :-

Particulars	Rs. (in Crores)
Authorised Share Capital:	
52,70,00,000 Equity Shares of Rs. 5 each	263.50
11,70,00,000 Preference Shares of Rs. 10 each	117.00
Total	380.50
Subscribed and Paid up Share Capital:	
16,42,02,669 Equity Shares of Rs. 5 each	82.10
Total	82.10



(d) **Details of Promoters and Directors of the Transferee Company along with their addresses**

The details of the Promoters of the Transferee Company are as follows:

Sr No.	Name	Address
1.	Atul Chandrakant Kirloskar	Radha, 453 Gokhale Road, Shivajinagar, Pune 411016
2.	Rahul Chandrakant Kirloskar	Lakaki Compound, Model Colony, Shivajinagar, Pune 411016
3.	Sanjay Chandrakant Kirloskar	Survey No. 270, Plot No. 22 & 23, Pallod Farms, Opp. BPCL Petrol Pump, Near Ratnakar Bank, Baner Road, Pune 411045 #
4.	Jyotsna Gautam Kulkarni	Yena, 1 Adwaitnagar, Paud Road, Pune 411038
5.	Geetanjali Vikram Kirloskar	Kirloskar Residence, Kirloskar Business Park, Bellary Road, Hebbal, Bengaluru 560024

Based on the declaration filed by the promoter pursuant to Regulation 31 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

The details of the Directors of the Transferee Company are as follows:

Sr No.	Name	Designation	Residential Address
1.	Atul Chandrakant Kirloskar	Chairperson & Non-Executive - Non Independent Director	Radha, 453 Gokhale Road, Shivajinagar, Pune 411016
2.	Rahul Chandrakant Kirloskar	Non-Executive - Non Independent Director	Lakaki Compound, Model Colony, Shivajinagar, Pune 411016
3.	Ravindranath Venkatesh Gumaste	Executive Director, MD	House No 27-34, ISR School Road, Near Municipal Ground Annapurna Badavane, Chittawadigi, Hospet, Karnataka 583201

Sr No.	Name	Designation	Residential Address
4.	Anil Narayan Alawani	Non-Executive - Non Independent Director	Flat No 5, Yashodeep C, Rambag Colony, Navi Peth, Pune 411030
5.	Nalini Venkatesh	Non-Executive - Independent Director	SF-7, Ratan Apartments, Muthappa Block, Ganganagar, Bengaluru 560032
6.	Yashwant Sripad Bhawe	Non-Executive - Independent Director	Flat No 601, Alliance Shanti, Shatisheela Society, Near Film and Television Institute, Erandwane, Law College Road, Pune 411004
7.	Mahesh Ramchand Chhabria	Non-Executive - Non Independent Director	11, Golden Beach Bungalows Scheme, Ruia Park, Juhu, Mumbai 400049
8.	Vijaydipak Mukundprasad Varma	Non-Executive - Independent Director	769/3, Anand Bhawan, Kamla Nehru Park Road, Deccan Gymkhana, Pune 411004
9.	Venkataramani Sathya Moorthy	Non-Executive - Independent Director	16/12 & 16/13, Nritya Apartments, Ground Floor, Between 6th and 8th Main, 18th Cross Road, Malleswaram, Bengaluru 560055
10.	Raviprakasha Srinivasa Srivatsan	Executive Director (Finance) & CFO	House No 457, 1st Ward, A Main, Behind Vidyapeet, C K Achkattu B S K 3, Stage 3, Phase, Bangalore, Karnataka 560085
11.	Pravir Kumar Vohra	Non-Executive - Independent Director	E602, Oberoi Splendor, Opp Majas Depot, Jogeshwari Vikhroli Link Road, Jogeshwari East, Mumbai 400060
12.	Shalini Sarin	Non-Executive - Independent Director	C-248, Defence colony, New Delhi 110024



- (e) **The date of the Board Meeting of the Transferee Company at which the Scheme was approved by the Board of Directors including the name of the Directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:**

The Board of Directors of the Transferee Company approved the Scheme at its meeting dated 5 November 2022. Details of the manner in which the Directors of the Transferee Company voted at this meeting are as follows:

Sr No.	Name of the Director	Voted in favour/ against/ abstained
1.	Atul Chandrakant Kirloskar	In favour
2.	Rahul Chandrakant Kirloskar	In favour
3.	Ravindranath Venkatesh Gumaste	In favour
4.	Anil Narayan Alawani	In favour
5.	Sampathkumar Rangachary	In favour
6.	Nalini Venkatesh	In favour
7.	Yashwant Sripad Bhawe	In favour
8.	Mahesh Ramchand Chhabria	In favour
9.	Vijaydipak Mukundprasad Varma	In favour
10.	Madhukar Vinayak Kotwal	In favour
11.	Venkataramani Sathya Moorthy	In favour
12.	Raviprakash Srinivasa Srivatsan	In favour
13.	Pravir Kumar Vohra	In favour

- (f) As of 31 July 2023, the Transferee Company has 9 (nine) Secured Creditors and amount due to such Secured Creditors is INR 660,59,86,828/- (Indian Rupees Six Hundred and Sixty Crores Fifty-Nine Lakhs Eighty-Six Thousand Eight Hundred and Twenty-Eight Only). As of July 31, 2023, the Transferee Company has 1,001 (one thousand and one) Unsecured Creditors and amount due to such Unsecured Creditors is INR 1,217,77,43,356/- (Indian Rupees One Thousand Two Hundred and Seventeen Crores Seventy-Seven Lakhs Forty-Three Thousand Three Hundred and Fifty-Six Only).



- (g) None of the Directors, the Key Managerial Personnel (as defined under the Act) of the Transferee Company and their respective Relatives (as defined under the Act) have any material interests on which the Scheme has an effect, except to the extent of their respective shareholding in the Transferee Company and the Transferor Company, if any, and/or to the extent the said directors are common directors of the Transferee Company and the Transferor Company (as applicable), if any. The composition of the Board of Directors of the Transferee Company may change by appointments, retirements, resignations or otherwise in accordance with the provisions of the Act, LODR Regulations, Memorandum of Association and Articles of Association of the Company.

The details of the shareholding of the Directors and Key Managerial Personnel of the Transferee Company as on 31 December 2023 is as follows :

Sr No.	Name	Designation	No. of shares in the Transferee Company	No. of shares in the Transferor Company
1.	Atul Chandrakant Kirloskar	Non-Executive - Non Independent Director	9,89,726	Nil
2.	Rahul Chandrakant Kirloskar	Non-Executive - Non Independent Director	14,25,279	Nil
3.	Ravindranath Venkatesh Gumaste	Managing Director	8,87,521	Nil
4.	Anil Narayan Alawani	Non-Executive - Non Independent Director	35,000	Nil
5.	Nalini Venkatesh	Non-Executive - Independent Director	59,367	Nil
6.	Yashwant Sripad Bhave	Non-Executive - Independent Director	Nil	Nil
7.	Mahesh Ramchand Chhabria	Non-Executive - Non Independent Director	Nil	Nil



Sr No.	Name	Designation	No. of shares in the Transferee Company	No. of shares in the Transferor Company
8.	Vijaydipak Mukundprasad Varma	Non-Executive Independent Director	Nil	20,285
9.	Venkataramani Sathya Moorthy	Non-Executive Independent Director	Nil	Nil
10.	Raviprakasha Srinivasa Srivatsan	Executive Director (Finance) and CFO	1,50,000	Nil
11.	Pravir Kumar Vohra	Non-Executive Independent Director	Nil	Nil
12.	Shalini Sarin	Non-Executive Independent Director	Nil	Nil
13.	Mayuresh Gharpure	Company Secretary	10,000	Nil

(h) **Disclosure about the effect of the Scheme on the various stakeholders of the Transferee Company:**

Sr No.	Category of Stakeholder	Effect of Scheme on Stakeholder
1.	Shareholders	<p>The Transferee Company has equity shareholders and does not have any other class of shareholders.</p> <p>Upon the Scheme coming into effect, the Transferee Company will allot its equity shares, credited as fully-paid up, to all shareholders of the Transferor Company whose name appear in the register of members of the Transferor Company on the Record Date (<i>as defined under the Scheme</i>) or to their respective heirs, executors, administrators or other legal representatives or successors in title as</p>

Sr No.	Category of Stakeholder	Effect of Scheme on Stakeholder
		<p>on Record Date in the following manner:</p> <p><i>“17 Transferee Company Shares, credited as fully paid-up, for every 100 equity shares of the face value of Rs. 5 each fully paid-up held by such member in the Transferor Company (“Share Exchange Ratio”).”</i></p> <p>These equity shares will rank <i>pari passu</i> with all other shares of the Company and will be listed on the Stock Exchanges. The Transferee Company will not be issued any shares in lieu of its existing shareholding in the Transferor Company.</p> <p>The Scheme is expected to have several benefits for the Transferee Company as indicated in the rationale of the Scheme set out below, and is expected to be in the best interests of the shareholders of the Transferee Company.</p>
2.	Promoters	The Promoters of the Transferee Company will continue to remain the Promoters of the Transferee Company and no additional person will be designated as Promoter of the Transferee Company pursuant to the Scheme. The Transferee Company will not be receiving shares of the Transferor Company as the Transferee Company cannot issue shares to itself under the applicable law.
3.	Non-Promoter Shareholders	Please refer point (1) above regarding effect on the shareholders, which will be applicable for all Non-promoter shareholders.
4.	Key Managerial Personnel	The Scheme by itself has no effect on the Key Managerial Personnel of the



Sr No.	Category of Stakeholder	Effect of Scheme on Stakeholder
		Company.
5.	Creditors	<p>All the liabilities of the Transferor Company shall become the liabilities of the Transferee Company, by virtue of the Merger, with effect from the Appointed Date (<i>as defined in the Scheme</i>) subject to the Scheme being approved by NCLT.</p> <p>The present Scheme <i>inter alia</i> includes the merger between the Transferee Company and the Transferor Company and is in no manner prejudicial to the interests of the creditors of the Transferee Company.</p>
6.	Directors	The Scheme will have no effect on the office of the existing Directors of the Transferee Company. The composition of the Board of Directors of the Transferee Company may change by appointments, retirements or resignations in accordance with the provisions of the Act, LODR Regulations, Memorandum of Association and Articles of Association of the Transferee Company.
7.	Depositors	There are no depositors. Hence, this is not applicable.
8.	Deposit Trustees	There are no deposit trustees. Hence, this is not applicable.
9.	Debenture Holders	There will be no adverse effect of the Scheme on the debenture holders of the Transferee Company.
10.	Debenture Trustees	There will be no adverse effect of the Scheme on the debenture trustees of the Transferee Company.
11.	Employees	There will be no adverse effect of the



Sr No.	Category of Stakeholder	Effect of Scheme on Stakeholder
		Scheme on the employees of the Transferee Company.

- (i) **There are no investigations and / or proceedings instituted or pending against the Transferee Company under the Act.**

v. **Other details regarding the Scheme required as per Rule 6(3) of the Merger Rules:**

a. **Relationship between the Companies**

The Transferee Company is the holding company of the Transferor Company and as of 5 November 2022, held 51.25% of the paid-up share capital of the Transferor Company. The Transferee Company is one of the promoters of the Transferor Company with sole management control.

b. **Appointed Date, Effective Date, Record Date:**

"Appointed Date" means 1st day of April 2023

"Effective Date" means the last of the dates on which the certified or authenticated copy of the order of the NCLT sanctioning the Scheme are filed with the Registrar of Companies by the Transferor Company and by the Transferee Company. Any references in the Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "Scheme taking effect" shall mean the Effective Date

"Record Date" means the date to be fixed by the Board of Directors of the Transferee Company for the purpose of determining the names of the equity shareholders of the Transferor Company, as applicable, who shall be entitled to the shares of the Transferee Company under Clause 11.1 of Part C of the Scheme, upon coming into effect of this Scheme;

"Share Exchange Ratio" shall mean the following:

"17 Transferee Company Shares, credited as fully paid-up, for every 100 equity shares of the face value of Rs. 5 each fully paid-up held by such member in the Transferor Company"

c. **Consideration for the Merger:**

Upon coming into effect of the Scheme and in consideration of the merger of the Transferor Company into and with the Transferee Company including transfer and vesting of the Undertaking of the Transferor Company in the Transferee Company, in terms of the Scheme, on the basis of Valuation Report dated 5 November 2022 and Fairness Opinion dated 5 November 2022, the Transferee Company shall without any further application or deed, be required to issue and allot to the shareholders of the Transferor Company whose names are recorded in the register of members as a member of the Transferor Company on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of the Transferee Company, 17 Transferee Company Shares, credited as fully paid-up, for every 100 equity shares of the face value of Rs. 5 each fully paid-up held by such member in the Transferor Company ("**Share Exchange Ratio**"). The Transferee Company Shares to be issued by the Transferee Company to the shareholders of the Transferor Company in accordance with Clause 11.1 of the Scheme shall be hereinafter referred to as "**New Equity Shares**".

d. **Summary of the Valuation Report and Fairness Opinion:**

For the purposes of the Scheme, a report in relation to the Share Exchange Ratio (hereinafter referred to as "**Valuation Report**") for issuance and allotment of shares of the Transferee Company to the shareholders of the Transferor Company pursuant to and in consideration of the Merger, on 5 November 2022, was issued for the Transferor Company by Mr. Amit Jain an Independent Registered Valuer, having Registration Number [Registration Number: IBBJ/RV/05/20 19112675], and for the Transferee Company by M/s. BDO Valuation Advisory LLP, an Independent Registered Valuer, having Registration Number [IBBI Registration Number IBBI/RV-E/02/2019/103], describing, *inter alia*, the methodologies adopted by them in arriving at the Share Exchange Ratio and setting out the detailed computation of the Share Exchange Ratio for the proposed Merger. The Valuation Reports for the Transferor Company and Transferee Company have been enclosed as **Annexure – 2 and Annexure – 3**.



In the Valuation Report, the valuer has understood that upon the Scheme being effective and in *consideration* of transfer and vesting of the Undertaking (*as defined under the Scheme*) from the Transferor Company to the Transferee Company in terms of the Scheme, the Transferee Company shall issue and allot equity shares to the shareholders of Transferor Company in accordance with the Share Exchange Ratio. As such, 17 Transferee Company Shares, credited as fully paid-up, shall be issued to the eligible shareholders of the Transferee Company for every 100 equity shares of the face value of Rs. 5 each fully paid-up held by such member in the Transferor Company.

In compliance with the SEBI Scheme Circular, a Fairness Opinion on the Share Exchange Ratio was received for the Transferor Company, from Keynote Financial Services Limited, Independent Merchant Banker, registered with SEBI, having registration number INM000003606 and for the Transferee Company, from M/s JM Financial Limited, an independent Merchant Banker registered with SEBI having registration number *INM000010361*, respectively, on 5 November 2022. The Fairness Opinions for the Transferor Company and Transferee Company have been enclosed as **Annexure – 4** and **Annexure – 5** respectively.

The recommendation of the Share Exchange Ratio has been approved by the audit committee and board of directors of the Transferor Company and the audit committee and the board of directors of the Transferee Company. No new shares shall be issued or payment be made in cash or in kind, whatsoever by Transferor Company in connection with the Merger.

The Valuation Reports and Fairness Opinions enclosed herewith are also available for inspection at the website of the Transferee Company and the Transferor Company at www.kirloskarferrous.com and www.ismt.co.in respectively.



e. **Details of capital restructuring:**

As an integral part of the Scheme and upon the Scheme coming into effect on the Effective Date, the authorised share capital of the Transferor Company, comprised of 31,70,00,000 Equity Shares of Rs. 5 (Indian Rupees Five) each shall stand transferred, merged and combined with the authorised equity share capital of the Transferee Company. Upon the Scheme coming into effect, the authorised share capital of the Transferee Company in terms of its Memorandum of Association and Articles of Association shall automatically stand enhanced by the authorized share capital of Transferor Company without requirement of any further act, instrument or deed on the part of the Transferee Company, including payment of stamp duty and fees payable to Registrar of Companies (to the effect that the Transferee Company shall be entitled to the credit of stamp duty and fees already paid by the Transferor Company) and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under sections 9, 13, 14, 61, 64 or any other provision of the Act, would be required to be separately passed.

Accordingly, in terms of this Scheme, the authorized share capital of the Transferee Company shall stand enhanced to an amount of Rs. 380,50,00,000 (Indian Rupees Three Hundred and Eighty Crores and Fifty Lakhs only) divided into 52,70,00,000 (Fifty-Two crores seventy lakhs) equity shares of Rs. 5 (Indian Rupees Five only) each and 11,70,00,000 (Eleven Crores Seventy lakhs) preference shares of Rs. 10 (Indian Rupees Ten only) each.

The capital clause being Clause V of the Memorandum of Association and Clause 2 of the Articles of Association of the Transferee Company shall on the Effective Date stand substituted to read as follows:



Altered Capital clause of the Memorandum of Association of the Transferee Company:

“The Authorized Share Capital of the Company is Rs. 380,50,00,000 (Rupees Three Hundred and Eighty Crores Fifty Lakhs) divided into 52,70,00,000 equity shares of Rs. 5 (Rs. Five) each and 11,70,00,000 preference shares of Rs. 10 (Rs. Ten) each, with power to increase and reduce the capital of the company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.”

f. **Details of debt restructuring:**

There shall be no debt restructuring of the Companies pursuant to the Scheme.

g. **Rationale and benefits of the Scheme as perceived by the Board of Directors of the Company:**

The proposed merger of the Transferor Company (including the Undertaking of the Transferor Company) into and with the Transferee Company would *inter alia* have the following benefits for both the Companies and their respective shareholders, employees, creditors and other stakeholders:

- (a) Synergy arising out of consolidation of the business of the Transferor Company and the Transferee Company will make the business activities more sustainable in the long term as well as help them grow at a faster pace.
- (b) Create value for stakeholders including respective shareholders, customers, lenders and employees as the combined business would benefit from increased scale, expanded reach, higher cross selling opportunities to a larger base of customers, improvement in productivity amongst others.



- (c) Better administration and cost optimization are expected to flow from more focused operational efforts, standardization and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses as well as compliance cost.
- (d) Pooling of resources and achieving economies of scale.
- (e) Greater integration and flexibility to Transferee Company and strengthen its position in terms of asset base, revenues and service range.
- (f) The Transferee Company has fully backward integrated operations ranging from iron ore mines to machined castings as well as a very strong client base across the globe. The Transferor Company is one of the most diversified manufacturers of specialized seamless tubes in the world, producing tubes in the range of 6 to 273 mm diameter. Merging of the business of the Transferor Company will bring the benefits of forward integration and diversification of product portfolio to the business of the Transferee Company.
- (g) The merger would result in mitigating the risks of the Transferor Company relating to procurement of certain input raw material.
- (h) The Transferor Company's investments and business plan had not panned out as expected and that led to its debt obligations becoming stressed. However, with combining of operations of the Transferor Company with the Transferee Company, benefits of better terms of finance and availability of capital will help in streamlining and improving the financial operations of the merged entity.

In view of the aforesaid, the Board of Directors of the Transferor Company and the Transferee Company have (i) considered and proposed the merger / amalgamation of the of the Transferor Company into and with the Transferee Company for the benefit of all the stakeholders of the Transferor Company and Transferee Company; and (ii) formulated the Scheme for the transfer and vesting of the entire Undertaking and business of the Transferor Company into and with the Transferee Company pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Act.



- h. The pre-Scheme shareholding pattern of the Transferor Company is attached as **Annexure – 6** and the pre-scheme and post-Scheme shareholding pattern of the Transferee Company, is attached as **Annexure - 7**.
- i. **Details of availability of the documents for obtaining extracts from or making or obtaining copies:**

Copies of the following documents will be available for obtaining extract from or for making or obtaining copies of or for inspection by the members of the Transferor Company, at the registered office of the Transferor Company between 9:00 a.m. to 6:00 p.m. on any day (except Saturday, Sunday and public holidays) up to one day prior to the date of the Meeting. An advance notice should be given by e-mail to the Transferor Company at secretarial@ismt.co.in, if it is desired to obtain copies of the notice from the registered office of the Transferee Company. Alternatively, a request for obtaining an electronic/soft copy of the notice may be made by writing an email to secretarial@ismt.co.in. Additionally, a copy of the notice and explanatory statement will also be hosted on the website of the Transferor Company at www.ismt.co.in.

- A. Certified copy of the order passed by the NCLT in Company Application No. C.A.(CAA)/238(MB)2023 pronounced on 4 January 2024 read with that of 16 January 2024, directing the Transferor Company, to convene the respective NCLT Convened Meetings;
- B. Copy of the Scheme;
- C. Copies of the latest Audited Financial Statements of the Companies including Consolidated Financial Statements, wherever applicable;
- D. Valuation Reports, dated 5 November 2022, issued by Mr. Amit Jain an Independent Registered Valuer, having Registration Number [Registration Number: IBBJ/RV/05/20 19112675] for the Transferor Company and M/s. BDO Valuation Advisory LLP, an Independent Registered Valuer, having Registration Number [IBBI Registration Number IBBJ/RV-E/02/2019/103] for the Transferee Company, describing, inter alia, the methodologies adopted by them in arriving at the Share Exchange Ratio and setting out the detailed computation of the Share Exchange Ratio for the proposed Amalgamation;



- E. Fairness Opinions dated 5 November 2022, issued by Keynote Financial Services Limited, Independent Merchant Banker, registered with SEBI, having registration number INM000003606 for the Transferor Company and M/s JM Financial Limited, an independent Merchant Banker registered with SEBI having registration number INM000010361 for the Transferee Company, on the Share Exchange Ratio as recommended in the Valuation Report;
- F. The certificates issued by the respective statutory auditors of the Transferee Company and the Transferor Company to the effect that the accounting treatment, if any, proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act;
- G. Copies of the Audit Committee Reports dated 5 November 2022 of the Transferor Company and the Transferee Company;
- H. Copies of the resolutions passed by the Board of Directors of the Transferor Company and the Transferee Company on 5 November 2022, approving the Scheme;
- I. Observation letters dated 25 July 2023, issued by BSE and NSE respectively to the Transferor Company and observation letter dated 25 July 2023, issued by BSE to the Transferee Company; and
- J. Copy of the report adopted by the Board of Directors of the Companies as per the provisions of Section 232(2)(c) of the Act.
- j. **Details of approvals, sanctions or no-objection(s) from regulatory or any other governmental authorities required, received or pending for the purpose of the Scheme:**
- A. In terms of Regulation 37 of the LODR Regulations, BSE and NSE, by their respective letters, both dated 25 July 2023, have issued their observations on the Scheme to the Transferor Company conveying their no adverse observations/no objection to the Scheme. BSE by its' letter, dated 25 July 2023 (published on its' website) has issued its observations on the Scheme to the Transferee Company conveying its no adverse observations to the Scheme. Copies of the observation letters dated 25 July, 2023, as received from BSE and NSE by the Transferor Company are enclosed as **Annexure – 8** and **Annexure – 9** respectively; and



as received from BSE by the Transferee Company is enclosed as **Annexure – 10.**

- B. As required by the SEBI Scheme Circular, the Transferor Company has filed its complaints reports dated 26 December 2022 and 2 February 2023 with BSE and NSE, respectively. Copies of the compliance report filed by the Transferor Company is enclosed as **Annexure - 11.** A copy of the compliance report filed by the Transferee Company with BSE dated is enclosed as **Annexure - 12.**
- C. The Scheme was filed by the Companies with the Mumbai Bench of the NCLT on 18 September 2023, and the Mumbai Bench of NCLT has passed directions to convene Meeting(s) vide an Order pronounced on 4 January 2024 read with that of 16 January 2024.
- D. The Scheme is subject to approval by the requisite majority of the shareholders of the Transferee Company and Transferor Company in terms of the applicable provisions of the Act and the Merger Rules.
- E. The Scheme is conditional and subject to necessary sanctions and approvals as set out in the Scheme.
- k. **Brief background and salient features of the Scheme:**
- A. The capitalised terms used herein below, shall have the meaning ascribed to such terms in the Scheme.
- B. The Scheme provides *inter alia* for:
1. Merger of the Transferor Company, including its entire business and undertaking with and into the Transferee Company and the consequent issue of 17 (seventeen) New Equity Shares of INR 5 (Indian Rupees Five) each of the Transferee Company to the shareholders of the Transferor Company (other than the Transferee Company) for every 100 (hundred) fully paid-up equity shares of INR 5 (Indian Rupees Five) each held by such shareholders of the Transferor Company;
 2. Dissolution without winding up of the Transferor Company;



3. Transfer of the authorized share capital from the Transferor Company to the Transferee Company and the consequent amendment to the Memorandum of Association of the Transferee Company;
4. Listing of the New Equity Shares of the Transferee Company on BSE Limited;
5. The Appointed Date will be 1st April 2023; and
6. Various other matters consequential or integrally connected therewith.

C. The relevant clauses of the Scheme are as under:

"Effective Date" means the last of the dates on which the certified or authenticated copy of the order of the NCLT sanctioning the Scheme are filed with the Registrar of Companies by the Transferor Company and by the Transferee Company. Any references in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "Scheme taking effect" shall mean the Effective Date;"

"Undertaking" means the whole of the undertaking and entire business of the Transferor Company as a going concern, including all assets, liabilities and business activities of the Transferor Company on a going concern basis, including (without limitation)

- i. *All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company, including but not limited to, factories, plant and machinery, equipment, buildings and structures, offices, residential and other premises, freehold and leasehold lands, mines, vehicles, sundry debtors, furniture, fixtures, office equipment including computers, laptops, printers and servers, appliances, accessories, depots, deposits, all stocks, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units), cash in hand, balances and deposits with banks, loans, advances,*



disbursements, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including lease rights), hire purchase contracts and assets, leasing contracts and assets lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, licenses, fixed and other assets, trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, know how, good will, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, websites, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including, title, interests, other benefits (including tax benefits such as Tax Credits), benefit of carried forward Tax losses, unabsorbed depreciation, easements, privileges, liberties, mortgages, hypothecations, pledges or other security interests created in favour of the Transferor Company and advantages of whatsoever nature and wheresoever situated in India or abroad, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;



- ii. *All liabilities including, without being limited to, secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations of the Transferor Company, of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised;*
- iii. *All agreements, rights, contracts, entitlements, permits, licenses, approvals, authorizations, concessions, consents, quota rights, engagements, arrangements, assignments, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the business activities and / or operations of the Transferor Company;*
- iv. *All records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the business activities and operations of the Transferor Company; and*
- v. *All employees engaged by the Transferor Company as on the Effective Date. “*

1. **Other matters**

- A. Copies of the Audited Financial Statements (Standalone and Consolidated) of the Transferor Company as on 31 March 2023 are annexed hereto as **Annexure – 13**. Copies of the Audited and Consolidated Financial Statements of the Transferee Company as on 31 March 2023 are annexed hereto as **Annexure – 14**.
- B. Copies of the Unaudited Financial Results (Standalone and Consolidated) of the Transferor Company for the quarter and nine months ended 31 December 2023 are annexed hereto as **Annexure – 15**.



Copies of the Unaudited Financial Statements (Standalone and Consolidated) of the Transferee Company for the quarter and nine months ended 31 December 2023 are annexed hereto as **Annexure – 16**.

- C. A copy of the report of the Board of the Transferor Company, *inter alia* explaining the effect of the Scheme on each class of Shareholders, KMPs, Promoters and Non-promoter shareholders, and employees is annexed hereto as **Annexure – 17**. A copy of the report of the Board of the Transferee Company, *inter alia* explaining the effect of the Scheme on each class of Shareholders, KMPs, Promoters and Non-promoter shareholders, and employees is annexed hereto as **Annexure – 18**.
- D. Details of the ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken against the Transferor Company, its promoters and its Directors is annexed hereto as **Annexure – 19**. Details of the ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken against the Transferee Company, its Promoters and its Directors are annexed hereto as **Annexure – 20**.
- E. Details of Assets & Liabilities and revenue of the Transferee Company prior to and after the scheme of amalgamation along with the details of Assets & Liabilities and revenue of Transferor Company that are being merged in the Transferee Company are annexed hereto as **Annexure - 21**.



THE FEATURES SET OUT ABOVE BEING ONLY THE SALIENT FEATURES OF THE SCHEME, WHICH ARE SUBJECT TO DETAILS SET OUT IN THE SCHEME, THE EQUITY SHAREHOLDERS ARE REQUESTED TO READ THE ENTIRE TEXT OF THE SCHEME (ANNEXED HEREWITH) TO GET FULLY ACQUAINTED WITH THE PROVISIONS THEREOF AND THE RATIONALE AND OBJECTIVES OF THE SCHEME.

sd/-
Mr. D. P. Semwal
Chairperson for the Meeting
Date : 8 February 2024
Place: Pune

Registered Office
ISMT Limited
Panama House
Viman Nagar
Pune 411014



SCHEME OF ARRANGEMENT
BETWEEN
ISMT LIMITED (TRANSFEROR COMPANY)
AND
KIRLOSKAR FERROUS INDUSTRIES LIMITED (TRANSFeree COMPANY)
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013

PREAMBLE

The objective of this Scheme of Arrangement and Merger ("**Scheme**") is to amalgamate and consolidate the entire Undertaking (*as defined hereinafter*) business and operations of ISMT Limited ("**Transferor Company**") into and with that of Kirloskar Ferrous Industries Limited ("**Transferee Company**"). Upon the amalgamation of the Transferor Company into the Transferee Company pursuant to this Scheme becoming effective on the Effective Date (*as defined hereinafter*), the Transferee Company will issue New Equity Shares (*as defined hereinafter*) to the shareholders of the Transferor Company on the Record Date (*as defined hereinafter*), in accordance with the Share Exchange Ratio (*as defined hereinafter*), approved by Board of Directors of each of the Parties and pursuant to the Applicable Law in the manner provided for in this Scheme.

l) This Scheme is divided into following parts:

(a) Part A - Definitions

(b) Part B - Description of Companies and their Background

(c) Part C - Amalgamation of the Transferor Company into and with the Transferee Company and sets forth certain additional arrangements that form a part of this Scheme

(d) Part D – General terms and conditions applicable to this Scheme

PART A
DEFINITIONS

1. DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- 1.1. "Act"** means the Companies Act, 2013 and the rules thereunder and will include any statutory modifications, re-enactments or amendments thereof for the time being in force;

- 1.2. **"Appointed Date"** means 1st day of April 2023
- 1.3. **"Applicable Law"** means all applicable: (a) statutes, enactments, acts of legislature or parliament, laws, ordinances, code, directives, rules, regulations, bye-laws, listing agreements, notifications, guidelines or policies of any applicable jurisdiction; and (b) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or approvals required from Governmental Authorities of, or agreements with, any Governmental Authority or a recognised stock exchange;
- 1.4. **"Board of Directors" or "Board"** means the board of directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted committee thereof;
- 1.5. **"BSE"** means BSE Limited;
- 1.6. **"Competent Authority"** means the stock exchanges on which the securities of the Transferor Company and the Transferee Company respectively are listed, Securities and Exchange Board of India and National Company Law Tribunal (NCLT) having jurisdiction over the Transferor Company and the Transferee Company respectively;
- 1.7. **"Delegate"** shall have the meaning ascribed to this term in Clause 5.1 of Part D of this Scheme;
- 1.8. **"Effective Date"** means the last of the dates on which the certified or authenticated copy of the order of the NCLT sanctioning the Scheme are filed with the Registrar of Companies by the Transferor Company and by the Transferee Company. Any references in this Scheme to the date of **"coming into effect of this Scheme"** or **"effectiveness of this Scheme"** or **"Scheme taking effect"** shall mean the Effective Date;
- 1.9. **"Governmental Authority"** means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India;
- 1.10. **"LODR Regulations"** means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended);
- 1.11. **"NCLT"** means the National Company Law Tribunal, Mumbai Bench;
- 1.12. **"New Equity Shares"** shall have the meaning ascribed to it in Clause 11.1 of Part C;
- 1.13. **"NSE"** means the National Stock Exchange of India Limited;
- 1.14. **"Parties"** means the Transferor Company and the Transferee Company, collectively;
- 1.15. **"Promoter(s)"** has the meaning given to it under Regulation 2(1)(oo) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- 1.16. **"Promoter Group"** has the meaning given to it under Regulation 2(l)(pp) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- 1.17. **"Record Date"** means the date to be fixed by the Board of Directors of the Transferee Company for the purpose of determining the names of the equity shareholders of the Transferor Company, as applicable, who shall be entitled to the shares of the Transferee Company under Clause 11.1 of Part C hereto, upon coming into effect of this Scheme;
- 1.18. **"Registrar of Companies"** shall mean the office of the relevant Registrar of Companies having jurisdiction over the Transferor Company and the Transferee Company.
- 1.19. **"Scheme"** means this Scheme of Arrangement between the Transferor Company and the Transferee Company and their respective shareholders and creditors as submitted to the NCLT together with any modification(s) carried out as per provisions of this Scheme with the requisite approvals required under the Act and all other Applicable Laws;
- 1.20. **"SEBI"** means the Securities and Exchange Board of India;
- 1.21. **"SEBI Circulars"** shall mean, the circulars issued by the SEBI, being circulars bearing reference number CFD/DIL3/CIR/2017/2021 dated March 10, 2017 and reference number SEBI/HO/CFD/DIL1/CIR/P/2021/ 0000000665 dated November 23, 2021 and any amendments thereof from time to time;
- 1.22. **"Transferor Company"** means ISMT LIMITED, described in Part A above;
- 1.23. **"Transferor Company Shares"** means the fully paid-up equity shares of the Transferor Company, each having a face value of Rs. 5;
- 1.24. **"Transferee Company"** means KIRLOSKAR FERROUS INDUSTRIES LIMITED described in Part A above;
- 1.25. **"Transferee Company Shares"** means the fully paid-up equity shares of the Transferee Company, each having a face value of Rs. 5;
- 1.26. **"Undertaking"** means the whole of the undertaking and entire business of the Transferor Company as a going concern, including all assets, liabilities and business activities of the Transferor Company on a going concern basis, including (without limitation)
- i. All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company, including but not limited to, factories, plant and machinery, equipment, buildings and structures, offices, residential and other premises, freehold and leasehold lands, mines, vehicles, sundry debtors, furniture, fixtures, office equipment including computers, laptops, printers and servers, appliances, accessories, depots, deposits, all stocks, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units), cash in hand, balances and deposits with banks, loans, advances, disbursements, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including lease rights), hire purchase contracts and assets, leasing contracts and assets lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies in relation to the office

and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, licenses, fixed and other assets, trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, know how, good will, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, websites, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including, title, interests, other benefits (including tax benefits such as Tax Credits), benefit of carried forward Tax losses, unabsorbed depreciation, easements, privileges, liberties, mortgages, hypothecations, pledges or other security interests created in favour of the Transferor Company and advantages of whatsoever nature and wheresoever situated in India or abroad, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;

- ii. All liabilities including, without being limited to, secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations of the Transferor Company, of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised;
- iii. All agreements, rights, contracts, entitlements, permits, licenses, approvals, authorizations, concessions, consents, quota rights, engagements, arrangements, assignments, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the business activities and / or operations of the Transferor Company;
- iv. All records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the business activities and operations of the Transferor Company; and
- v. All employees engaged by the Transferor Company as on the Effective Date.

1.27. In this Scheme, unless the context requires otherwise:

- a. the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- b. the terms “hereof”, “herein”, or similar expressions used in this Scheme mean and refer to this Scheme and not to any particular clause of this Scheme;
- c. wherever the word “include”, “includes”, or “including” is used in this Scheme, it shall be deemed to be followed by the words “without limitation”;
- d. where a wider construction is possible, the words “other” and “otherwise” shall not be construed *ejusdem generis* with any foregoing words;

- e. references to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme;
 - f. the words importing singular shall include the plural and words importing any gender shall include every gender;
 - g. reference to any law or to any provision thereof or to any rule or regulation promulgated thereunder includes a reference to such law, provision, rule or regulation as it may, from time to time, be amended, supplemented or re-enacted or to any law, provision, rule or regulation that replaces it; and
 - h. any reference to “Rs.” or “₹” is to INR or Indian National Rupees.
- 1.28. All capitalized terms not defined but used in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Depositories Act, 1996 and other Applicable Laws, rules, regulations and byelaws, as the case may be, or any statutory amendment(s) or re-enactment thereof, for the time being in force.

PART B

Description of Companies and Background

- i. **ISMT LIMITED** (CIN: L27109PN1999PLC016417) is a company incorporated under the Companies Act, 1956, having its registered office at Panama House (earlier known as “Lunkad Towers”), Vimannagar, Pune 411014, Maharashtra, India. The Transferor Company is mainly engaged in the business of manufacturing of specialty alloy, bearing steel and seamless tubes. The equity shares of the Transferor Company are listed on the BSE (*as defined hereinafter*) and NSE (*as defined hereinafter*).
- ii. **KIRLOSKAR FERROUS INDUSTRIES LIMITED** (CIN: L27101PN1991PLC063223) is a company incorporated under the Companies Act, 1956, having its registered office at 13 Laxmanrao Kirloskar Road, Khadki, Pune - 411003, Maharashtra, India. The Transferee Company is engaged in the business of manufacturing pig iron and grey iron castings and caters to industry sectors such as tractors, automotives and diesel engines. The equity shares of the Transferee Company are listed on the BSE Limited. Unsecured redeemable listed rated non-convertible debentures issued by the Transferee Company are listed on the wholesale debt market segment of the BSE. The Transferee Company is the holding company of the Transferor Company and as of September 30, 2022 holds 51.25% of the paid up share capital of the Transferor Company. The Transferee Company is designated as one of the Promoters by the Transferor Company on BSE and NSE.
- iii. This Scheme of Arrangement and Merger by absorption provides for merger of Transferor Company into and with the Transferee Company pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 and applicable provisions of the Income Tax Act, 1961, the SEBI Circulars (*as defined hereinafter*) and Applicable Laws (*as defined hereinafter*).

iv. Rationale and Purpose of the Scheme

The proposed merger of the Transferor Company (including the Undertaking (*as defined hereinafter*) of the Transferor Company) into and with the Transferee Company would *inter alia* have the following benefits for both the Parties and their respective shareholders, employees, creditors and other stakeholders:

- (a) Synergy arising out of consolidation of the business of the Transferor Company and the Transferee Company will make the business activities more sustainable in the long term as well as help them grow at a faster pace;
- (b) Create value for stakeholders including respective shareholders, customers, lenders and employees as the combined business would benefit from increased scale, expanded reach, higher cross selling opportunities to a larger base of customers, improvement in productivity amongst others;
- (c) Better administration and cost optimization are expected to flow from more focused operational efforts, standardization and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses as well as compliance cost;
- (d) Pooling of resources and achieving economies of scale;
- (e) Greater integration and flexibility to Transferee Company and strengthen its position in terms of asset base, revenues and service range;
- (f) The Transferee Company has fully backward integrated operations ranging from iron ore mines to machined castings as well as a very strong client base across the globe. The Transferor Company is one of the most diversified manufacturers of specialized seamless tubes in the world, producing tubes in the range of 6 to 273 mm diameter. Merging of the business of the Transferor Company will bring the benefits of forward integration and diversification of product portfolio to the business of the Transferee Company.
- (g) The merger would result in mitigating the risks of the Transferor Company relating to procurement of certain input raw material.
- (h) The Transferor Company's investments and business plan had not panned out as expected and that led to its debt obligations becoming stressed. However, with combining of operations of the Transferor Company with the Transferee Company, benefits of better terms of finance and availability of capital will help in streamlining and improving the financial operations of the merged entity.

In view of the aforesaid, the Board of Directors of the Transferor Company and the Transferee Company have (i) considered and proposed the merger / amalgamation of the of the Transferor Company into and with the Transferee Company for the benefit of all the stakeholders of the Transferor Company and Transferee Company; and (ii) formulated this Scheme of merger for the transfer and vesting of the entire Undertaking and business of the Transferor Company into and with the Transferee Company pursuant to the provisions of Section 230 to Section 232 and other relevant provisions of the Act.

2. SHARE CAPITAL

2.1. Transferor Company:

The total authorised, subscribed and paid-up share capital of the Transferor Company as on 4 November 2022 was as under:

Particulars	Rs. (In Crores)
Authorised Share Capital:	
31,70,00,000 Equity Shares of Rs. 5 each	158.50
Total	158.50
Issued, and Subscribed and Paid up Share Capital:	
30,05,01,383 Equity Shares of Rs. 5 each	150.25
Total	150.25

Subsequent to 4 November 2022 there is no change in the capital structure of the Transferor Company.

The equity shares of the Transferor Company are listed on the BSE and NSE.

2.2. Transferee Company

The total authorized, subscribed and paid-up share capital of the Transferee Company as on 4 November 2022 was as under:

Particulars	Rs. (In Crores)
Authorized Share Capital:	
21,00,00,000 Equity Shares of Rs. 5 each	105.00
11,70,00,000 Preference Shares of Rs. 10 each	117.00
Total	222.00

Issued, Subscribed and Paid up Share Capital:	
13,88,26,844 Equity Shares of Rs. 5 each	69.41
Total	69.41

Subsequent to 4 November 2022, there is no change in the capital structure of the Transferee Company.

The equity shares of the Transferee Company are listed on the BSE and permitted to trade on NSE. Unsecured redeemable listed rated non-convertible debentures issued by the Transferee Company are listed on the wholesale debt market segment of the BSE.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE AND COMPLIANCE WITH TAX LAWS

- 3.1 The Scheme set out herein in its present form or with any modifications thereto made in accordance with the terms of this Scheme, shall be operative from the Appointed Date but shall be effective from the Effective Date.
- 3.2 The merger of the Transferor Company into and with the Transferee Company, pursuant to and in accordance with this Scheme, shall take place in accordance with the provisions of Section 2(1B) of the Income Tax Act, 1961 such that,
- (i) all the property of the Transferor Company immediately before the merger shall stand transferred to the Transferee Company by virtue of the merger;
 - (ii) all the liabilities of the Transferor Company immediately before the merger shall stand transferred to the Transferee Company by virtue of the merger; and
 - (iii) shareholders holding not less than three fourths in the value of the shares in Transferor Company become shareholders of the Transferee Company by virtue of the merger (other than shares already held therein by the Transferee Company).

The Scheme has been drawn up to comply with the conditions relating to “amalgamation” as specified under Section 2(1B) of the Income Tax Act, 1961. If any term or provision of the Scheme is found or interpreted to be inconsistent with the said provision at a later date, including resulting from an amendment of law or for any other reason whatsoever, the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act, 1961. Such modification will however not affect other parts of the Scheme. The power to make such amendment / modification as may be necessary shall vest with the Board of Directors of the Transferee Company, which power shall be exercised reasonably in the best interests of the Transferor Company and the Transferee Company and their shareholders and which power can be exercised at any time prior to the approval of the Scheme by the NCLT.

PART C

Merger of entire Undertaking of ISMT Limited (Transferor Company) into Kirloskar Ferrous Industries Limited (Transferee Company)

Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Transferor Company, including the Undertaking of the Transferor Company, shall stand transferred to and be vested in or be deemed to have been transferred to and vested in the Transferee Company, in accordance with the provisions of Sections 230 to 232 of the Act and applicable provisions of the Income Tax Act, 1961, as a going concern, without any further act, instrument, deed, matter or thing to be made, done or executed so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme. It is clarified that without prejudice to the provisions of this Part, all of the assets and liabilities of the Transferor Company are intended to be transferred to and be absorbed by the Transferee Company upon the coming into effect of this Scheme.

Without prejudice to the generality of above Clause, with effect from the Appointed Date (to the extent applicable) and upon the coming into effect of this Scheme:

1. Transfer of Assets:

- 1.1. All the assets and properties (net of inter-company balances) comprised in the Transferor Company of whatsoever nature and wheresoever situated, including but not limited to tax credits, MAT credit, benefits of carried forward tax losses including unabsorbed depreciation (if any) etc. shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets and properties of the Transferee Company.
- 1.2. In respect of such of the assets and properties of the Transferor Company as are immovable in nature, the same shall stand transferred by the Transferor Company and shall, upon such transfer, become the assets and properties of the Transferee Company as an integral part of the Undertaking, without requiring any separate deed or instrument or conveyance for the same. In respect of such immovable properties, the Parties shall be entitled to register the true copy of the Order of the NCLT approving the Scheme with the offices of the relevant sub-registrar of assurance or similar registering authority in Maharashtra and any other state where immovable property of the Transferor Company is located and shall also execute and register, as required such other documents which may be necessary in this regard, including separate deeds of conveyance or deeds of assignment of lease, etc., in favour of the Transferee Company in respect of such immovable properties. All the rights of the Transferor Company in the immovable properties shall stand transferred to the Transferee Company automatically without requirement of execution of any further documents for registering the name of the Transferee Company as owner thereof and the regulatory authorities, including Sub-registrar of Assurances, Talati, Tehsildar etc. may rely on this Scheme along with the certified copy of the Order of the NCLT, to make necessary mutation entries and changes in the land or revenue records to reflect the name of the Transferee Company as owner of such immovable properties. Without prejudice to the above, with respect to the immovable properties of the Transferor Company outside the states/territory where registered office of the Parties is situated, for the limited purposes of meeting regulatory

requirements, inter alia, payment of stamp duty and vesting in the Transferee Company, if the Transferee Company so decides, the Parties will execute and register or cause to be executed and registered separate deeds of conveyance or assignment, as the case may be, in favour of the Transferee Company in respect of such immovable properties. Such immovable properties shall be deemed to be conveyed at the applicable circle rates, only for the purposes of payment of stamp duty (if required under Applicable Law). Further, the subject immovable properties shall not be deemed to be conveyed/assigned under such documents and such immovable properties shall be deemed to be conveyed/assigned pursuant to the terms of this Scheme. In so far as the immovable properties which have been allotted to or appropriated in favour of the Transferor Company but a formal deed of conveyance / sale or a lease has not yet been executed in favour of the Transferor Company, such formal deed of conveyance / sale or a lease will be executed directly in favour of the Transferee Company whereby the Transferee Company shall be entitled to avail benefit / credit of the charges already paid by the Transferor Company in respect of such immovable properties. All the assets which are subject matter of pending litigation shall stand transferred only to the extent permitted by law and subject to outcome of such litigation. The relevant authorities shall grant all clearances/permissions, if any, required for enabling the Transferee Company to absolutely own and enjoy the immovable properties in accordance with Applicable Law.

- 1.3. In respect of such of the assets and properties of the Transferor Company as are movable in nature or incorporeal property or are otherwise capable of transfer by mere physical delivery or by endorsement, the same shall stand transferred by the Transferor Company and shall, upon such transfer, become the assets and properties of the Transferee Company as an integral part of the Undertaking, without requiring any separate deed or instrument or conveyance for the same.
- 1.4. In respect of movables such as, sundry debts, receivables, bills, credits, loans and advances of the Transferor Company, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Governmental Authority or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company.
- 1.5. All the estate, assets, rights, title, claims, interest, investments and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets, rights, title, interest, investments and properties, of whatsoever nature and wherever situate, which are acquired by the Transferor Company on or prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company.
- 1.6. All the licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims including benefits of carried forward losses and unabsorbed depreciation, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, cost or charge be and shall stand transferred to and vest in and be deemed to be transferred to and vested in and be available to the Transferee Company. It is clarified that all the licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and

benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferor Company shall remain valid, effective and enforceable on the same terms and conditions.

- 1.7. All tax benefits of any nature, duties, cess or any other like payments or deductions, carry forward of tax losses or unabsorbed depreciation available to the Transferor Company under Income Tax, Sales Tax, Value Added Tax, Service Tax, GST etc. or any Tax deduction/collections at source, MAT Credit, tax credits, benefits of CENVAT credits, benefits of input credits up to the Effective Date shall be deemed to have been on account of or paid by the Transferee Company and the relevant authorities shall transfer to the account of and give credit for the same to Transferee Company upon the passing of the orders by the NCLT.
- 1.8. The Transferor Company shall, if so required, also give notice in such form as it may deem fit and proper to the debtors, that pursuant to the sanction of this Scheme by the NCLT under and in accordance with Sections 230 to 232 and all other applicable provisions, if any, of the Act, the said debtors should pay to the Transferee Company the debt, loan or advance or make the same on account of the Transferor Company and the right of the Transferor Company to recover or realize the same stands vested in the Transferee Company.
- 1.9. All assets and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company and all assets and properties which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme. Provided however that no onerous assets shall have been acquired by the Transferor Company after the Appointed Date without the consent of the Transferee Company as provided for in this Scheme.

2. **Transfer of Liabilities:**

- 2.1 All liabilities (net off inter-company balances) including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations of the Transferor Company (herein referred to as the "**Liabilities**"), shall, pursuant to the sanction of this Scheme by the NCLT under and in accordance with the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by the Transferee Company to the extent they are outstanding as on the Effective Date so as to become as and from the Appointed Date the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or

arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause.

- 2.2 Where any such debts, loans raised, liabilities, duties and obligations as on the Appointed Date have been discharged or satisfied by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.
- 2.3 All debts, liabilities, duties and obligations of the Undertaking as on the Appointed Date, whether or not provided in the books of the Transferor Company and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Undertaking on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.
- 2.4 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company.

3. **Encumbrances**

- 3.1 The transfer and vesting of the assets comprised in the Transferor Company in favour of and unto the Transferee Company under Clause 1 of Part C of this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided.
 - i. All the existing securities, mortgages, charges, encumbrances or liens (the "**Encumbrances**"), if any, as on the Appointed Date and created by the Transferor Company after the Appointed Date with express written approval of the Transferee Company, over the assets comprised in the Undertaking or any part thereof shall stand transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to Liabilities of the Transferor Company, the same shall, after the Effective Date, continue to relate and attach to only such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company, provided however that no Encumbrances shall have been created by the Transferor Company over its assets after the Appointed Date without the consent of the Transferee Company as provided for in this Scheme.
 - ii. The existing Encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.

- iii. Any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferor Company and the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the Registrar of Companies to give formal effect to the above provisions, if required.
- iv. Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of the Scheme.
 - It is expressly provided that, no other term or condition of the Liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.
 - The provisions of this Clause 3 of Part C shall operate in accordance with the terms of the Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall be deemed to stand modified and/or superseded by the foregoing provisions.

4. Contracts, Deeds, Etc.

- 4.1 Subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, assurances and other instruments of whatsoever nature or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect by, for or against or in favour of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto or thereunder.
- 4.2 All the letters of intent, requests for proposal, pre-qualifications, bid acceptances, tenders, and other instruments of whatsoever nature to which the Transferor Company is a party to or to the benefit of which the Transferor Company may be eligible, shall remain in full force and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. Upon coming into effect of this Scheme, the past track record of the Transferor Company shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes.
- 4.3 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company are a party or any writings as may be necessary in order to give formal effect to the provisions of

this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.

- 4.4 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall without any further act or deed, stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall obtain relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.

5. **Employees**

On and from 00.00 hours of the day immediately following the Effective Date:

- 5.1 All the permanent employees of the Transferor Company and who are in its employment as on the Effective Date shall become the permanent employees of the Transferee Company with effect from the Effective Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favourable than those on which they are engaged or employed by the Transferor Company. It is clarified that the employees of the Transferor Company who become employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the employees of the Transferee Company), unless otherwise determined by the Board of Directors of the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, validly entered into by the Transferor Company with any union/employee of the Transferor Company (as may be recognized by the Transferor Company).
- 5.2 The existing provident fund, gratuity fund and pension and/or superannuation fund or trusts or retirement funds or benefits created by the Transferor Company or any other special funds created or existing for the benefit of the concerned permanent employees of the Transferor Company (collectively referred to as the "**Funds**") and the investments made out of such Funds shall, at an appropriate stage, shall be transferred to the Transferee Company to be held for the benefit of the concerned employees. The Funds shall, subject to the necessary approvals and permission and at the discretion of the Transferee Company, either be continued as separate funds of the Transferee Company for the benefit of the employees of the Transferor Company or be transferred to and merged with other similar funds of the Transferee Company. In the event that the Transferee Company does not have its own fund with respect to any such Funds, the Transferee Company may, subject to necessary approvals and permissions, continue to maintain the existing Funds separately and contribute thereto, until such time as the Transferee Company creates its own funds at which time the Funds and the

investments and contributions pertaining to the employees of the Transferor Company shall be transferred to such funds of the Transferee Company.

6. Legal Proceedings

On and from the Effective Date, all suits, actions, claims and legal proceedings by or against the Transferor Company pending as of the Effective Date shall be continued and / or enforced as desired by the Transferee Company and on and from the Effective Date, shall be continued and / or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been originally instituted and/or pending and/or arising by or against the Transferee Company. On and from the Effective Date, the Transferee Company shall have the right to initiate, defend, compromise or otherwise deal with any legal proceedings relating to the Undertaking in the same manner and to the same extent as would or might have been initiated by the Transferor Company as the case may be, had the Scheme not been made; If any suit, appeal or other proceedings of whatever nature by or against the Transferor Company be pending as of the Effective Date, the same shall not automatically abate or be discontinued or in any way be prejudicially affected by reason of the merger of the Transferor Company or by anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

7. Conduct of Business till Effective Date

With effect from the Appointed Date and up to and including the Effective Date:

- 7.1 The Transferor Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of the Undertaking for the benefit of and in trust for the Transferee Company.
- 7.2 All the profits or income accruing or arising to the Transferor Company and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Company shall, for all purposes, be treated and be deemed to be and accrue as the profits or income or as the case may be, expenditure or losses (including taxes) of the Transferee Company.
- 7.3 Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.
- 7.4 From the date of approval of the Scheme by the respective Boards of the Transferor Company and the Transferee Company and upto the Effective Date, the Transferor Company shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its group companies or any

third party or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking or any part thereof save and except in each case in the following circumstances:

- a) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the NCLT; or
- b) if the same is permitted by this Scheme; or
- c) if consent of the Board of Directors of the Transferee Company has been obtained for the same.

7.5 The Transferor Company shall not take, enter into, perform or undertake, as applicable (i) any material decision in relation to its business and operations; (ii) any agreement or transaction; and (iii) such other matters as the Transferee Company may notify from time to time, save and except in each case in the following circumstances:

- a) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the; or
- b) if the same is permitted by this Scheme; or
- c) if consent of the Board of Directors of the Transferee Company has been obtained.

7.6 Without prejudice to the generality of Clause 7.5 of Part C referred above, the Transferor Company shall not make any change in its capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares) decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner which may, in any way, affect the Share Exchange Ratio as provided in Clause 11.1 of Part C except under any of the following circumstances:

- a) by mutual consent of the Board of Directors of the Transferor Company and of the Transferee Company; or
- b) as may be permitted under this Scheme.

8. Accounting Treatment in the Books of Transferee Company

8.1 The Transferee company shall accounts for the merger of Transferor Company in accordance "Pooling of Interest Method" of accounting as laid down in Appendix C of Ind AS -103 (Business Combinations of the entities under common control) notified with accounting principles generally accepted in India including Indian Accounting Standard (Ind AS) specified under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015 as may be amended from time to time.

8.2 In respect of Transferee Company, the merger shall be accounted for, with effect from the Appointed Date, as follows:

- a) All the assets and liabilities of the Transferor Company shall stand transferred to and the same shall be recorded by the Transferee Company at their respective carrying amount in the same form as appearing in the financial statements of the Transferor Company.

- b) The identity of reserves shall be preserved and shall appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company.
- c) The amount of intercompany balances, transactions or investments, if any, between the Transferor Company and the Transferee Company appearing in the books of accounts of the Transferor Company and the Transferee Company, shall stand cancelled without any further act or deed.
- d) The Transferee Company shall credit to its share capital in its books of account, the aggregate face value of the equity shares issued by it to the member of the Transferor Company pursuant to this Scheme.
- e) In compliance with the Indian Accounting Standards (Ind AS), the difference between the Net Assets transferred by Transferor Company to the Transferee Company and the consideration payable by the Transferee Company in the form of equity shares issued at nominal value, shall be credited/debited to capital reserve account. For the purpose of this Clause, net assets transferred mean difference between the carrying value of the assets being transferred to the Transferee Company and the aggregate of carrying value of liabilities and reserves and surplus being transferred to Transferee Company.
- f) In case of any difference in accounting policies between the Transferor Company and the Transferee Company, the accounting policies followed the Transferee Company will prevail and the difference, if any till the Appointed Date will be quantified and adjusted in the capital reserve account to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policies.
- g) The financial information in the financial statements of the Transferee Company in respect of prior periods shall be restated as if the business combination with Transferor Company had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.
- h) For the avoidance of doubt, it is clarified that capital reserve account of the Transferee Company will not be considered as free reserves and the same shall not be utilised for declaration of dividends.
- i) Any matter not dealt with in this Scheme or hereinabove shall be dealt with in accordance with the applicable accounting standards prescribed.

9. Treatment of Taxes

- 9.1 Any tax liabilities under the Income-tax Act, 1961 and all applicable indirect taxes , Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Maharashtra Value Added Tax Act, 2002, Central Sales Tax Act, 1956 , any other state Sales Tax / Value Added Tax laws, service tax, luxury tax, Goods and Services Tax (GST) stamp laws or other applicable laws/ regulations (hereinafter in this Clause referred to as "Tax Laws") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to Transferee Company.
- 9.2 All taxes (including income tax & all indirect Taxes wealth tax, sales tax, excise duty, customs duty, service tax, GST, luxury tax, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, GST, luxury tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business in respect of the Undertaking on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.
- 9.3 Any refund under the Tax Laws due to the Transferor Company consequent to the assessments made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 9.4 Without prejudice to the generality of the above, all benefits including that of withholding tax (TDS) under the income tax, MAT credit under the Income Tax Act 1961 Sales Tax, Excise Duty, Customs Duty, Service Tax, Luxury Tax, VAT, carried forward tax losses (whether business losses or losses under any other head of income) , unabsorbed depreciation, other allowances, exemptions or benefits under the tax laws, to which the Transferor Company are entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company.

10. Saving of Concluded Transactions

Subject to the terms of this Scheme, the merger of the Transferor Company into and with the Transferee Company including the transfer and vesting of the Undertaking of the Transferor Company in the Transferee Company under Clause 1 and 2 of Part C of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or concluded after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

11. Issue of New Equity Shares by Transferee Company to the shareholders of the Transferor Company

11.1 Upon coming into effect of this Scheme and in consideration of the merger of the Transferor Company into and with the Transferee Company including transfer and vesting of the Undertaking of the Transferor Company in the Transferee Company, in terms of this Scheme, on the basis of Valuation Report dated 5 November 2022 and Fairness Opinion dated 5 November 2022, the Transferee Company shall without any further application or deed, be required to issue and allot to the shareholders of the Transferor Company whose names are recorded in the register of members as a member of the Transferor Company on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of the Transferee Company, 17 Transferee Company Shares, credited as fully paid-up, for every 100 equity shares of the face value of Rs. 5 each fully paid-up held by such member in the Transferor Company ("**Share Exchange Ratio**"). The Transferee Company Shares to be issued by the Transferee Company to the shareholders of the Transferor Company in accordance with this Clause shall be hereinafter referred to as "**New Equity Shares**".

11.2 It is clarified that the Transferor Company Shares held by the Transferee Company shall stand cancelled as on the Record Date and the Transferee Company shall and will not allot any New Equity Shares to itself albeit the name of the Transferee Company appearing as a shareholder in the register of members of the Transferor Company on the Record Date.

11.3 **Ranking:** The New Equity Shares of the Transferee Company shall have the same ranking as stipulated in Clause 1.1.4 of Part D of this Scheme.

11.4 **Fractional Shares:** Entitlement of any fractional shares to the shareholders of the Transferor Company upon issue and allotment of the New Equity Shares by the Transferee Company, shall be dealt and given effect to in accordance with Clause 1.1.6 of Part D of this Scheme.

12. Classification of Promoters of the Transferor Company and the Transferee Company

Upon the Scheme becoming effective:

- (i) the Promoters of the Transferor Company will not be designated as the Promoters of the Transferee Company; and
- (ii) the current Promoters of the Transferee Company shall continue to be classified as Promoters of the Transferee Company and no additional person will be designated as Promoter of the Transferee Company pursuant to this Scheme.

13. Amendment to the Memorandum of Association of the Transferee Company

In order to carry on the activities currently being carried on by the Transferor Company, upon coming into effect of the Scheme, the main objects in the memorandum of association of the Transferor Company shall be added to the main objects of the memorandum of association of the Transferee Company if necessary and to the extent such objects are not already covered by those of the Transferee Company. For the purposes of the amendment of the Memorandum of Association of the Transferee

Company as provided in this Clause, the consent/approval given by the shareholders of the Transferee Company to this Scheme pursuant to Sections 230 to 232 of the Act and any other applicable provisions of the Act shall be deemed to be sufficient and no further resolution of shareholders of the Transferee Company as required under the applicable provisions of the Act shall be required to be passed for making such change/amendment in the Memorandum of Association of the Transferee Company and filing of the certified copy of this Scheme as sanctioned by the Tribunal, in terms of Sections 230 to 232 of the Act and any other applicable provisions of the Act, together with the order of the Tribunal and a printed copy of the Memorandum of Association for the purposes of the applicable provisions of the Act and the relevant Registrar of Companies shall register the same and make the necessary alterations in the Memorandum of Association of the Transferee Company accordingly and shall certify the registration thereof in accordance with the applicable provisions of the Act.

14. Dissolution of the Transferor Company

Upon the Scheme coming into effect, the Transferor Company shall, without any further act, instrument or deed undertaken by the Transferor Company or the Transferee Company, stand dissolved without winding up pursuant to the order of the NCLT sanctioning the Scheme.

PART D

General Provisions

1. Combination of the Authorised Share Capital

As an integral part of the Scheme and upon the Scheme coming into effect on the Effective Date, the authorised share capital of the Transferor Company, comprised of 31,70,00,000 Equity Shares of Rs. 5 (Indian Rupee Five) each shall stand transferred, merged and combined with the authorised equity share capital of the Transferee Company. Upon the Scheme coming into effect, the authorised share capital of the Transferee Company in terms of its Memorandum of Association and Articles of Association shall automatically stand enhanced by the authorized share capital of Transferor Company without requirement of any further act, instrument or deed on the part of the Transferee Company, including payment of stamp duty and fees payable to Registrar of Companies (to the effect that the Transferee Company shall be entitled to the credit of stamp duty and fees already paid by the Transferor Company) and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under sections 9, 13, 14, 61, 64 or any other provision of the Act, would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Company on their respective authorized share capital shall be utilized and applied to the increased share capital of the Transferee Company and shall be deemed to have been so paid by the Transferee Company on such combined authorized share capital and accordingly, the Transferee Company shall not be required to pay any fees / stamp duty on the authorized share capital so increased.

Accordingly, in terms of this Scheme, the authorized share capital of the Transferee Company shall stand enhanced to an amount of Rs. 380,50,00,000 divided into 52,70,00,000 equity shares of Rs. 5 each and 11,70,00,000 preference shares of Rs. 10 each.

The capital clause being Clause V of the Memorandum of Association and Clause 2 of the Articles of Association of the Transferee Company shall on the Effective Date stand substituted to read as follows:

Altered Capital clause of the Memorandum of Association of the Transferee Company:

“The Authorized Share Capital of the Company is Rs. 380,50,00,000 (Rupees Three Hundred and Eighty Crores Fifty Lakhs) divided into 52,70,00,000 equity shares of Rs. 5 (Rs. Five) each and 11,70,00,000 preference shares of Rs. 10 (Rs. Ten) each, with power to increase and reduce the capital of the company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.”

1.1. Pending transfers, Issue of New Equity Shares and Issuance Mechanics

1.1.1. In the event there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, as the case may be, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the shares in the Transferor Company and in relation to the shares issued by the Transferee Company, after the effectiveness of the Scheme. The Board of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Transferee Company on account of difficulties faced in the transition period.

1.1.2. Where New Equity Shares of the Transferee Company are to be allotted to heirs, executors or administrators, as the case may be, to successors of deceased equity shareholders or legal representatives of the equity shareholders of the Transferor Company, the concerned heirs, executors, administrators, successors or legal representatives shall be obliged to produce evidence of title satisfactory to the Board of the Transferee Company.

1.1.3. The New Equity Shares of the Transferee Company allotted and issued in terms of Clause 11.1 of Part C above, shall be listed and/or admitted to trading on the BSE and NSE. The New Equity Shares of the Transferee Company shall, however, be listed subject to the Transferee Company obtaining the requisite approvals from the stock exchanges on which the securities of Transferee Company are listed and SEBI pertaining to the listing of the New Equity Shares of the Transferee Company. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with Applicable Laws for complying with the formalities of BSE and NSE.

- 1.1.4. The New Equity Shares of the Transferee Company to be allotted and issued to the shareholders of the Transferor Company as provided in Clause 11.1 of Part C above shall be subject to the provisions of the memorandum and articles of association of the Transferee Company and shall *rank pari passu* in all respects with the then existing equity shares of the Transferee Company after the Effective Date including in respect of dividend, if any, that may be declared by the Transferee Company on or after the Effective Date.
- 1.1.5. The Transferee Company shall complete all formalities, as may be required, for allotment of the New Equity Shares to the shareholders of the Transferor Company as provided in this Scheme within thirty (30) days from the Effective Date. It is clarified that the issue and allotment of New Equity Shares by the Transferee Company to the shareholders of the Transferor Company as provided in the Scheme, is an integral part thereof and shall be deemed to have been carried out without requiring any further act on the part of the Transferee Company or its shareholders and as if the procedure laid down under Section 62 or any other provisions of the Act as may be applicable, and such other statutes and regulations as may be applicable were duly complied with.
- 1.1.6. If any shareholder becomes entitled to any fractional shares, entitlements or credit on the issue and allotment of the New Equity Shares by the Transferee Company in accordance with Clause 11.1 of Part C above, the Board of the Transferee Company shall consolidate all such fractional entitlements and shall round up the aggregate of such fractions to the next whole number and issue consolidated New Equity Shares to a trustee nominated by the Transferee Company (the "**Trustee**"), who shall hold such New Equity Shares with all additions or accretions thereto in trust for the benefit of the respective shareholders, to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such equity shares in the market at such price or prices and on such time or times within ninety (90) days from the date of allotment, as the Trustee may in its sole discretion decide and on such sale, pay to the Transferee Company, the net sale proceeds (after deduction of applicable taxes and costs incurred) thereof and any additions and accretions, whereupon the Transferee Company shall, subject to withholding tax, if any, distribute such sale proceeds to the concerned shareholders of the Transferor Company in proportion to their respective fractional entitlements.
- 1.1.7. In the event that the Parties restructure their equity share capital by way of share split/consolidation/issue of bonus shares during the pendency of the Scheme, the Share Exchange Ratio and the stock options, shall be adjusted accordingly to take into account the effect of any such corporate actions.
- 1.1.8. Subject to Applicable Laws, the New Equity Shares that are to be issued in terms of this Scheme shall be issued in dematerialised form. The register of members maintained by the Transferee Company and/ or, other relevant records, whether in physical or electronic form, maintained by the Transferee Company, the relevant depository and registrar and transfer agent in terms of Applicable Laws shall (as deemed necessary by the Board of the Transferee Company) be updated to reflect the issue of the New Equity Shares in terms of this Scheme. The shareholders of the Transferor Company who hold equity shares in physical form should provide the requisite details relating to his/her/its account with a depository participant or other confirmations as may be required, to the Transferee Company, prior to the Record Date to enable it to issue the New Equity Shares. However, if no such details have

been provided to the Transferee Company by the equity shareholders holding equity shares of the Transferor Company in physical form on or before the Record Date, the Transferee Company shall deal with the relevant equity shares in such manner as may be permissible under the Applicable Law, including by way of issuing the corresponding equity shares in dematerialised form to the Trustee who shall hold these equity shares in trust for the benefit of such shareholder. The equity shares of the Transferee Company held by the Trustee of Transferee Company for the benefit of the shareholder shall be transferred to the respective shareholder once such shareholder provides details of his/her/its demat account to the Trustee of Transferee Company, along with such other documents as may be required by the Trustee of Transferee Company. The respective shareholders shall have all the rights of the shareholders of the Transferee Company, including the right to receive dividend, voting rights and other corporate benefits, pending the transfer of equity shares from the Trustee of Transferee Company.

- 1.1.9. The shares allotted pursuant to the Scheme shall remain frozen in the depositories system until listing/trading permission is given by the BSE and NSE, as the case may be.
- 1.1.10. The New Equity Shares to be issued by the Transferee Company pursuant to Clause 11.1 of Part C above in respect of such equity shares of the Transferor Company as are subject to lock-in pursuant to Applicable Law, shall be locked-in as and to the extent required under Applicable Law.
- 1.1.11. Upon the coming into effect of this Scheme becoming effective and upon the New Equity Shares of the Transferee Company being allotted and issued by it to the shareholders of Transferor Company whose names appear on the register of members as a member of the Transferor Company on the Record Date or whose names appear as the beneficial owners of the equity shares of the Transferor Company in the records of the depositories/register of members, as the case may be, as on the Record Date, the equity shares of Transferor Company, both in electronic form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date. Wherever applicable, Transferee Company may, instead of requiring the surrender of the share certificates of Transferor Company, directly issue and dispatch the new share certificates of Transferee Company in lieu thereof. As specified in Clause 11.2 of Part C above, the Transferor Company Shares held by the Transferee Company shall stand cancelled as on the Record Date and the Transferee Company shall and will not allot any New Equity Shares to itself albeit the name of the Transferee Company appearing as a member in the register of members of the Transferor Company on the Record Date.
- 1.1.12. The New Equity Shares to be issued by the Transferee Company pursuant to Clause 11.1 of Part C above in respect of such equity shares of the Transferor Company, the allotment or transfer of which is held in abeyance under Applicable Law shall, pending allotment or settlement of dispute by order of the appropriate court or otherwise, also be kept in abeyance in like manner by the Transferee Company.

1.1.13. The New Equity Shares to be issued by the Transferee Company in lieu of the shares of the Transferor Company held in the unclaimed suspense account of the Transferor Company shall be issued to a new unclaimed suspense account created for shareholders of the Transferor Company. The shares to be issued by the Transferee Company *in lieu* of the shares of the Transferor Company held in the investor education and protection fund authority shall be issued to investor education and protection fund authority for the benefit of relevant shareholders of the Transferee Company.

After the consolidation of the authorized share capital of the Transferor Company with the authorized share capital of the Transferee Company; and post allotment of New Equity Shares pursuant to this Scheme, final share capital structure of the Transferee Company would be as follows:-

Particulars	Rs. (in Crores)
Authorised Share Capital:	
52,70,00,000 Equity Shares of Rs. 5 each	263.50
11,70,00,000 Preference Shares of Rs. 10 each	117.00
Total	380.50
Subscribed and Paid up Share Capital:	
16,37,31,102 Equity Shares of Rs. 5 each	81.87
Total	81.87

2. Cancellation Of Shares

Upon the allotment of the New Equity Shares by the Transferee Company in accordance with the terms of this Scheme, all the equity shares held by the shareholders in the Transferor Company shall stand cancelled.

3. Validity of Existing Resolutions, Etc.

Upon the coming into effect of this Scheme, the resolutions including all approvals under Sections 42, 62(1)(a), 180, 185, 186, 188 etc., of the Act, read with the rules and regulations made thereunder, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

4. **Declaration of Dividend**

- 4.1 During the period between the Appointed Date and up to and including the Effective Date, the Transferor Company shall not declare and pay any dividend to its shareholders, whether interim or final, out of its profits and available cash, without obtaining prior approval of the Transferee Company.
- 4.2 For the avoidance of doubt, it is hereby declared that nothing in the Scheme shall prevent the Transferee Company from declaring and paying dividends, whether interim or final, to its equity shareholders as on the Record Date for the purpose of dividend and the shareholders of the Transferor Company shall not be entitled to dividend, if any, declared by the Transferee Company prior to the Effective Date.
- 4.3 For the avoidance of doubt, it is also clarified that the aforesaid provisions in respect of declaration of dividends of the Transferor Company and the Transferee Company are enabling provisions only and shall not be deemed to confer any right on any member of the respective companies to demand or claim dividend which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of Directors of the respective companies.

5. **Modification of Scheme.**

- 5.1 Subject to approval of NCLT or other Competent Authority if required under Applicable Law, the Transferor Company and the Transferee Company (acting jointly) by their respective Board of Directors or any director/executives or any committee authorised in that behalf (hereinafter referred to as the "**Delegate**") may jointly assent to, or make, from time to time, any modification(s) or addition(s) to this Scheme which the NCLT or other Competent Authority, as the case may be or any authorities under law may deem fit to approve of or may impose and which the Board of Directors of the Transferor Company and the Transferee Company may in their discretion accept, such modification(s) or addition(s) as the Board of Directors of the Transferor Company and the Transferee Company as the case may be, their respective Delegate may deem fit, or required for the purpose of resolving any doubts or difficulties that may arise in carrying out this Scheme. The Transferor Company and the Transferee Company by their respective Boards of Directors or Delegates are authorised to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible in law) for bringing this Scheme into effect, and/or give such consents as may be required in terms of this Scheme.
- 5.2 For the purpose of giving effect to this Scheme or to any modification(s) thereof or addition(s) thereto, the Delegates (acting jointly) of the Transferor Company and Transferee Company may give and are authorised to determine and give all such directions as are necessary for settling or removing any question of doubt or difficulty that may arise under this Scheme or in regard to the meaning or interpretation of any provision of this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders or depositors, if any of the Transferor Company) or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, as the case may be, shall be

binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme. For the avoidance of doubt it is clarified that where this Scheme requires the approval of the Board of Directors of the Transferor Company or the Transferee Company to be obtained for any matter, the same may be given through their Delegates.

6. Filing Of Applications

The Transferor Company and the Transferee Company shall use their best efforts to make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act, before the NCLT or other Competent Authority, as the case may be having jurisdiction for sanction of this Scheme under the provisions of law, and shall apply for such approvals as may be required under law.

7. Approvals

The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to own the Undertaking and to carry on the business of the Transferor Company.

8. Scheme Conditional upon Sanctions, Withdrawals Etc.

This Scheme is conditional upon and subject to:

- 8.1 The Scheme being agreed to by the requisite majority of the respective classes of members and / or creditors (where applicable) of the Transferor Company and of the Transferee Company as required under the Act, SEBI Circulars and the requisite approval of the NCLT being obtained. The members and/or creditors (where applicable) of the Transferor Company and of the Transferee Company shall be provided the facility of e-voting, if and as required by Applicable Laws in relation to voting on the Scheme;
- 8.2 The Scheme being approved by the public shareholders of both the Transferor Company and the Transferee Company through e-voting in terms of Part – I {A}{10}{a} of SEBI Master circular No. SEBI/HO/CFD/DII I/CIR/P/2020/249 dated December 22, 2020 and the scheme shall be acted upon only if votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it; and
- 8.3 Receipt of no-objection letters by the Parties from the BSE and the NSE in accordance with the LODR Regulations and the SEBI Circulars in respect of the Scheme (prior to filing the Scheme with the Competent Authority as well as following approval of the Scheme by the Competent Authority), which shall be in form and substance acceptable to the Parties, each acting reasonably and in good faith;
- 8.4 The certified copies of the orders of the NCLT sanctioning this Scheme being filed with the Registrar of Companies.
- 8.5 Without prejudice to the above, the Parties (jointly and not severally) shall be at liberty to withdraw the Scheme at any time as may be mutually agreed by respective Boards of the Parties, prior to the date on which this Scheme comes into effect.

9. Costs, Charges, Expenses and Stamp Duty

All costs, charges and expenses (including any taxes and duties) incurred or payable by the Transferor Company and the Transferee Company in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme, including stamp duty on the orders of the NCLT or other Competent Authority, as the case may be, if any and to the extent applicable and payable, shall be borne and paid by the respective Parties till the Effective Date. Upon this Scheme coming into effect on the Effective Date, all costs, charges and expenses (including any taxes and duties) incurred or payable in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme, including stamp duty on the orders of the NCLT or other Competent Authority, as the case may be, if any and to the extent applicable and payable, shall be borne and paid by the Transferee Company and shall be accounted for in accordance with the provisions of applicable Accounting Standard notified under Section 133 of the Companies Act, 2013.

Valuation report for proposed merger of ISMT Limited and Kirloskar Ferrous Industries Limited

5th November 2022

Private and Confidential



Amit Suresh Jain, ACA

Registered Valuer (Securities or Financial Assets) under IBBI
Registration Number IBBI/RV/05/2019/12675

5th November 2022

To,
The Board of Directors
ISMT Limited
Pune - 411014

Dear Sir/Madam,

Re: Valuation of equity shares of ISMT Limited and Kirloskar Ferrous Industries Limited for arriving at Share Exchange Ratio

This has reference to the engagement letter appointing me, Amit Suresh Jain with Registered Valuer Registration Number IBBI/RV/05/2019/12675, to provide valuation services to ISMT Limited ("ISMT" or "the Client" "or "the Company") to undertake valuation of ISMT's equity shares to determine share swap ratio for proposed merger with its holding company - Kirloskar Ferrous Industries Limited ("KFIL") as on 4th November 2022 ("Valuation Date").

I hereby confirm that I have no present or planned future interest in the Company, except to the extent of my appointment as a registered valuer for this valuation report ("Report"). I hereby confirm that the valuation of equity shares of the Company is carried out as per International Valuation Standards ("IVS").

A summary of the analysis is presented in the accompanying Report as well as description of the methodology and procedure used, and the factors considered in formulating the opinion. In addition, I have listed the sources of information used in this Report and the scope of work in the course of the assignment, noting any limitations on the assignment. This Report is subject to the attached limitation conditions & exclusions and to all terms and conditions in the engagement letter for this assignment.



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Report must be considered as a whole. Selecting portions of my Report or the factors I considered, without considering all factors and analysis together could create a misleading view of the process underlying the valuation conclusions. The preparation of a valuation is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

This letter should be read in conjunction with the attached report.

Regards,



Amit Suresh Jain, ACA, Registered Valuer (S&FA)
IBBI Registration Valuer No: IBBI/RV/05/2019/12675

Encl: As above

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1. Background & Purpose

Background - ISMT

ISMT is a company incorporated under the Companies Act, 1956, having its registered office at Panama House (earlier known as "Lunkad Towers"), Vimannagar, Pune 411014, Maharashtra, India. ISMT is mainly engaged in the business of manufacturing of specialty alloy, bearing steel and seamless tubes.

ISMT is a listed company whose shares are traded on the BSE and NSE. As informed by the Management, as of Valuation Date, share capital of the Company consists of 300,501,383 equity shares on fully diluted basis.

Background - KFIL

KFIL is a company incorporated under the Companies Act, 1956, having its registered office at 13 Laxmanrao Kirloskar Road, Khadki, Pune - 411003, Maharashtra, India. KFIL is engaged in the business of manufacturing pig iron and grey iron castings and caters to industry sectors such as tractors, automotives and diesel engines.

KFIL is a listed company whose shares are traded on the BSE and NSE. As informed by the Management, as of Valuation Date, share capital of the Company consists of 141,285,244 equity shares on fully diluted basis.

Purpose

I understand that as of Valuation Date, KFIL holds 51.25% stake in ISMT. Further, as represented by the Management of ISMT, Management of ISMT is contemplating merger of ISMT and KFIL ("the Proposed Transaction"). In this regard, client has approached me to arrive at fair valuation of ISMT and KFIL to arrive at share exchange ratio.

2. Sources of Information and Procedure

2.1. For the purpose of undertaking the valuation exercise of ISMT of KFIL, I have relied on the following sources of publicly available information:

- Audited financial statements and Annual reports for the year ended March 2022;
- Quarterly results for the quarters ending September 21, December 21, March 22, June 2022 for ISMT and KFIL;
- Quarterly results for the quarter ending September 2022 for ISMT;
- Discussions with management of ISMT regarding the business operations of the Company;
- Business description, Annual report, and quarterly results (June 2022 / September 2022 as available) of comparable companies available on public resources;
- Industry related information from various publicly available sources; and



- Other relevant data and information provided to us, whether in oral or physical form or in soft copy, and discussions with the representatives of the Client.

2.2. In connection with information, I have adopted the following procedures to carry out the valuation:

- Requested and received financial and qualitative information relating to the Company;
- Discussions with the Management to Understand the business and fundamental factors that affect its earning-generating capability including strengths, weaknesses, opportunity and threats analysis and historical financial performance.
- Analyzed the information received;
- Selection of valuation methodology/(ies) as prescribed by International Valuation Standards (“IVS”). For the purpose of arriving at the valuation of the Company I have considered the valuation base as ‘Fair Value.’ My valuation, and this report, is based on the premise of going concern value. Any change in the valuation base, or the premise could have significant impact on my valuation exercise, and therefore, this Report.
- Determination of Fair Value of the equity Shares of ISMT and KFIL and share exchange ratio as on the Valuation Date.
- ISMT has informed me that Keynote Financial Services Limited (“Keynote”) has been appointed to provide fairness opinion on the recommended share exchange ratio. Accordingly, as requested by the Client, I have had discussions with Keynote on the valuation approaches adopted and assumptions made by us.
- I also understand that KFIL has appointed BDO India LLP (“the other Valuer”) for determining share exchange ratio.

3. Valuation Approach & Methodology

Valuation Approaches

I have considered the following approaches in determining the Value of equity shares of ISMT and KFIL as of Valuation Date. The following paragraphs describe these approaches and the various methodologies utilized for the Valuation: -



Asset Approach

Asset based approaches aim to determine the value of a business by valuing its assets on carrying value, replacement value or liquidation value basis, less liabilities. Net Asset Value (NAV) method is useful for the valuation of businesses which are either more assets intensive or those that do not have material operations of their own.

I have not used this method to arrive at the value of equity shares of ISMT and KFIL, as asset approach is generally adopted by for companies having minimal operations or experiencing issues relating to liquidation.

Income Based Approach

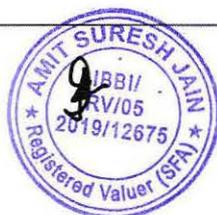
The Income Approach is a general method of determining a value indication of a business based on its ability to generate desired economic benefit in future. Depending on the nature of the business, anticipated benefits may be reasonably represented by items such as net cash flow, dividends, and various forms of earnings. Conversion of those benefits may be accomplished by either capitalization or discounting techniques. The well-known methods under Income Approach are Discounted Cash Flow Method (DCF), Capitalization of Earnings Method etc.

Income approach requires projected financial statements of at least 3-5 forthcoming years which are based on numerous assumptions which are subjective to the approach of the management. As I was not provided with detailed projected financial statements, I have not used income-based approach to arrive at fair value of equity shares of ISMT and KFIL.

Market Based Approach

The Market Approach is a general method of determining a value indication of business by comparing the target company with similar companies (CCM) listed on stock exchanges or comparable transactions (CTM) that have occurred in the market involving the companies similar to the target company. Comparable market transactions in business, business ownership interest, or securities in peer companies can provide a reasonable basis for estimating / providing a benchmark for valuation of the subject company.

As both the companies, ISMT and KFIL, are listed companies, I have used Market Price Method along with Comparable Company method ("CCM").



CCM evaluates the value of a company using the metrics of other businesses of similar size in the same industry. The data available on the public resources of peer listed companies are actual information hence, it involves no assumptions and scope of alteration also reduces, making the information more realistic, true and fair.

Apart from CCM, I have also used 60 days Volume Weighted Average Price ("VWAP") of shares of ISMT and KFIL to arrive at fair value of equity shares of ISMT and KFIL respectively.

4. Valuation of ISMT & KFIL

After consideration of the specific facts concerning ISMT and KFIL, I have selected the following methods to determine Value of the Company: -

- **Market Approach**
 - Comparable Company Method
 - Market Price Method

Comparable Company (CCM) Method

ISMT

Under CCM, Valuation of equity shares of ISMT is determined by considering median of EV / Sales multiple of the comparable companies as specified in **Annexure 2**. The multiple so arrived has been adjusted with the discount on account of size and profitability. For valuing ISMT, EV / Sales multiple has been preferred due to lack of consistent history in generating EBITDA positive margins. Discounting multiple then arrived has been multiplied with TTM (Sep 22) revenue numbers of ISMT.

Enterprise Value so arrived further increased by Cash and cash equivalents and surplus asset and reduced by Debt and Minority interest to arrive at the equity value of ISMT as per CCM Method. Equity value of the Company thus derived is **INR 16,425.4 million. (Kindly refer Annexure 2)**

As on Valuation Date, share capital of the Company consists of 300,501,383 equity shares on fully diluted basis. Accordingly, per share value of ISMT as per CCM works out to be **INR 54.7 Per share. (Kindly refer Annexure 2)**



KFIL

Under CCM, Valuation of equity shares of KFIL has been determined by considering median of EV / EBITDA multiple of the comparable companies as specified in **Annexure 3**. For valuing KFIL, EV / EBITDA multiple has been preferred due consistent history of generating EBITDA positive margins. The said multiple then arrived has been multiplied with TTM (June 22) EBITDA numbers of KFIL.

Enterprise Value so arrived further increased by Cash and cash equivalents, fair value of investments and loan to ISMT and further reduced by Debt to arrive at the equity value of KFIL as per CCM Method. Equity value of the Company thus derived is **INR 55,090.9 million. (Kindly refer Annexure 3)**

As on Valuation Date, share capital of the Company consists of 141,285,244 equity shares on fully diluted basis. Accordingly, per share value of KFIL as per CCM works out to be INR 389.9 Per share. **(Kindly refer Annexure 3)**

Market Price Method

As on Valuation Date, I have considered 60 days VWAP to arrive at the market price per share of ISMT and KFIL which works out to be INR 53.2 per share and INR 266.8 per share respectively. *(Source: - BSE data)*

5. Valuation Summary & Share Exchange Ratio

Fair Value Per Share

I have applied 60:40 weightage to CCM and Market price method to arrive at Fair Value of equity shares of ISMT and KFIL. Accordingly, weighted average Fair Value per share of ISMT and KFIL works out to be **INR 53.8** and **INR 316.1** per share respectively. Kindly refer **Annexure 4** for detailed calculation

Share Exchange Ratio

Based upon the calculations above and fair value per share arrived, the share exchange ratio works out to be 5.9:1 i.e., 1 equity share of KFIL against 5.9 equity shares of ISMT. Accordingly, for every 100 shares of ISMT, shareholders of ISMT will be entitled to 17.0 shares of KFIL.

Hence, share exchange ratio recommended is 100:17 i.e., 17 shares of KFIL will be issued against every 100 shares of ISMT.



6. Terms of Engagement

A) Context and Purpose

- ISMT has appointed me to determine the fair value of the equity shares of ISMT and KFIL and share exchange ratio for the purpose of the Proposed Transaction as mentioned in Section 1 of this Report.
- This valuation analysis exercise and valuation report is solely for the purpose mentioned herein in the Report. As per the discussion held with the Management, the cut-off date for present valuation analysis exercise is 4th November 2022.

B) Restricted Audience

- This report and the information contained herein are absolutely confidential and are intended for the use of the Management only for submitting to the Statutory Authorities for compliance.
- It should not be copied, disclosed, circulated, quoted or referred to, either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued without my written consent. It can however be relied upon and disclosed in connection with any statutory and regulatory filing in connection with the Proposed Transaction in accordance with the provision of the Act. In the event the Management extend the use of the report beyond the purpose mentioned earlier in the report, with or without my consent, I will not accept any responsibility to any other party (including but not limited to the Investors, Merchant Bankers and Placement agent, if any) to whom this Report may be shown or who may acquire a copy of the Report.

7. Limitations Conditions & Exclusions

- 7.1. The Report is subject to the specified assumptions and limiting conditions detailed hereinafter. This Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.
- 7.2. The Report is based on the financials and non-financial information, provided by the Management and publicly available resources same was reviewed and analyzed by me for the limited purpose of carrying out fair valuation and not for any other purpose(s) including audit or due diligence. The valuation exercise has been carried out independently and is fair and transparent in all manners.
- 7.3. Information pertaining to the Merger has been provided by the Management of the Company and the same has been relied upon by me. The assumptions, if any, require exercise of judgment and are subject to uncertainties. Also, I have relied on the sources of information referred in Section 2 of the Report.



- 7.4. Since the engagement is for a specified agreed scope and is performed within the restrictions of the specific regulatory guidelines, the procedures applied are limited. The management of the Company and other concerned individuals have represented to me that the information supplied was complete and accurate to the best of their knowledge and that the financial information properly reflects the business conditions and operating results for the respective periods in accordance with the Generally Accepted Accounting Principles. However, I issue no warranty or other form of assurance regarding its accuracy. The information presented in this Valuation Report does not reflect the outcome of any due diligence procedures, which may change the information contained herein and, therefore, the valuation report materially.
- 7.5. I have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the Company and has considered them at the value as disclosed by the Company in their regulatory filings or in submissions, oral or written, made to us. Nothing has come to my knowledge to indicate that the material provided to me was misstated or incorrect or would not afford reasonable grounds upon which to base my Report.
- 7.6. In the circumstances of this case, I shall be liable only to the Management. I shall have no liability (in contract or under statute or otherwise) to any other party for any economic loss or damage arising out of or in connection with this engagement, however the loss or damage is caused other than in cases of fraud, gross negligence, or willful misconduct, or on account of any natural calamities, shall be limited to the amount of fees actually received by me as laid out in the engagement letter, for such valuation work.
- 7.7. This Report does not look into the business / commercial reasons behind the Purpose of Valuation nor the likely benefits arising out of the same. The assessment of commercial and investment merits of the Company are sole responsibility of the investors of the Company and I do not express opinion on the suitability or otherwise of entering into any financial or other transactions with the Company.
- 7.8. This report and the computation are not nor should be construed as my opinion or certification of the compliance with the provisions of any law/ standards including company, foreign exchange regulatory, accounting and taxation (including transfer pricing) laws/ standards or as regards any legal, accounting or taxation implications or issues. As I am not advisor with respect to accounting, legal, tax and regulatory matters, no responsibility is assumed for matters of a legal nature.
- 7.9. The valuation analysis in this Report should not be construed as investment advice; and I do not express any opinion on the suitability or otherwise of entering any financial or other transactions with the Company.



- 7.10. If the information provided to me is revised in any form or manner, the valuation may need to be updated. I have no obligation to update the report or the opinion of value for information that comes to my attention after the date of the report.
- 7.11. The estimates of value contained herein are not intended to represent value of the Company at any time other than the date specifically mentioned for the valuation result, as per the agreed scope of engagement.
- 7.12. A draft of this report was shared with the Company, prior to finalization of report, as part of my standard practice to make sure that factual inaccuracy/omission are avoided in the report.

Yours faithfully,



Amit Suresh Jain, ACA, Registered Valuer (S&FA)

IBBI Registration Valuer No: IBBI/RV/05/2019/12675

UDIN: **22143649BCHUME6976**



Amit Suresh Jain, ACA

Registered Valuer (Securities or Financial Assets) under IBB
Registration Number IBB/RV/05/2019/12675

Annexure 1

ISMT – Comparable Company business description

<u>Name of Company</u>	<u>Business Description</u>
Vardhman Special Steels Limited	Caters to diverse requirements of hot-rolled bars for Engineering, Automotive, Tractor, Bearing, and Allied Industries.
Welspun Corp Limited	Manufactures line pipes at its plants in India at several locations and products include longitudinal, spiral, and high-frequency induction-welded pipes.
Maharashtra Seamless Limited	Engaged in the manufacture of seamless pipes (various capacities), which find application in oil exploration, boilers, pipelines, petrochemicals, etc. The company manufactures ERW Pipes and Coated Pipes
Sunflag Iron and Steel Company Limited	Engaged in spring steel production for automobile use in Engines, Drives, Transmissions, Suspensions applications.
Goodluck India Limited	Engaged in manufacturing and exporting a wide range of galvanized sheets & coils, towers, hollow sections, CR coils, and pipes & tubes.
JTL Infra Limited	Manufactures Electric Resistance Welded (ERW) steel pipes and is one of the largest section pipe & tube manufacturers in India.



Annexure 1

KFIL – Comparable Company business description

<u>Name of Company</u>	<u>Business Description</u>
Tata Metaliks Limited	Manufactures pig iron, ductile iron pipes, casting, iron ore fines, coke breeze and limestone.
Electrosteel Castings Limited	Engaged in the production of Ductile Iron Pipes in India and Ductile Iron Pipes, Flange pipes, Ductile Iron Fittings
Ramkrishna Forgings Limited	Engaged in manufacturing of forged components for the Indian Railways and other components to domestic M&HCV manufacturers.
M M Forgings Limited	Engaged in the manufacturing and sale of iron and steel forgings. The company offers steel forgings in raw, semi-machined, and fully machined stages in various grades of carbon, alloy, micro-alloy, and stainless steel.



Annexure 2**Comparable Company Method Calculations – ISMT***(All amounts are in INR Million)*

Particulars	EV/Sales
Median Multiple	0.82
Less:- Discount	-15%
Adjusted Multiple	0.70
Consolidated Revenue (LTM - Sep 22)	24,459.4
Enterprise Value	17,029.7
Add:-	
- Cash & Cash Equivalent (Sep 22)	944.0
- Surplus Asset (Asset held for sale)	588.8
Less:-	
- Debt and Minority Interest (Sep 22)	-2,137.1
Equity Value	16,425.4
Number of Shares	300.5
Per Share Value	54.7

Median EV/ Sales

Comparable Companies - ISMT	EV	Sales	EV/Sales
Vardhman Special Steels Limited	11,524.8	16,150.0	0.71
Welspun Corp Limited	73,112.6	68,970.1	1.06
Maharashtra Seamless Limited	49,068.8	53,069.6	0.92
Sunflag Iron and Steel Company Limited	20,286.0	29,273.7	0.69
Goodluck India Limited	18,133.8	28,702.9	0.63
JTL Infra Limited	16,159.8	10,904.5	1.48
Median EV/ Sales			0.82



Annexure 3

Comparable Company Method Calculations – KFIL

(All amounts are in INR Million)

Particulars	EV/EBITDA
Median Multiple	9.3
EBITDA (LTM - June 22)	5,737.5
Enterprise Value	53,120.4
Add:-	
- Cash & Cash Equivalents (March 22)	3,049.2
- Investment in ISMT Limited (at Fair Value)	8,279.1
- Other Investment (At Cost)	43.0
- Loan to ISMT Limited	1,940.0
Less:-	
- Debt	-11,340.8
Equity Value	55,090.9
Number of Shares	141.3
Per Share Value	389.9

Calculation of Number of shares

Particulars	No of Shares
As per BSE (as of 30 Sep 22)	13,88,26,844
ESOPs (Old Issue)	7,88,400
ESOPs (New Issue)	16,70,000
Total No of Shares (in Million)	141.3

Median EV/ EBITDA

Comparable Companies - FKIL	EV	EBITDA	EV/EBITDA
Tata Metaliks Limited	24,474.5	1,731.9	14.1
Electrosteel Castings Limited	44,576.4	7,448.0	6.0
Ramkrishna Forgings Limited	47,867.4	6,145.7	7.8
M M Forgings Limited	24,234.9	2,259.0	10.7
Median EV/ EBITDA			9.3



Annexure 4

Computation of Share Exchange Ratio

Valuation Approach	KFIL		ISMT	
	Value per Share	Weight	Value per Share	Weight
Asset Approach	NA			
Income Approach	NA			
Market Approach				
i. Market Price Method (2 Month VWAP)	266.8	60%	53.2	60%
ii. Company Comparable Method	389.9	40%	54.7	40%
Relative Value per Share	316.1		53.8	
Exchange Ratio (rounded off)	1:5.9			

NA – Not Applied/ Not Applicable

Ratio: 17 (Seventeen) equity shares of **KFIL** of face value INR 5 each fully paid up for every **100 (Hundred)** equity shares of **ISMT** of face value of INR 5 each fully paid up

1. Asset Approach is not adopted to arrive at the fair value of equity shares of ISMT and KFIL, as asset approach is generally adopted by for companies having minimal operations or experiencing issues relating to liquidation.
2. Income Approach requires projected financial statements of at least 3-5 forthcoming years which are based on numerous assumptions which are subjective to the approach of the management. As I was not provided with detailed projected financial statements, I have not used income-based approach to arrive at fair value of equity shares of ISMT and KFIL.





**Fair Equity Share Exchange Ratio
in relation to the
'Scheme of Arrangement'**

November 2022

Ref. No.: MG/Nov5-86/2022

November 5, 2022

To,
The Board of Directors of
Kirloskar Ferrous Industries Limited
13, Laxmanrao Kirloskar Road,
Khadki, Pune 411003, Maharashtra

Dear Sir(s)/ Madam(s),

Subject: Recommendation of Fair Equity Share Exchange Ratio in relation to the Proposed Scheme Of Arrangement and Merger Between ISMT Limited (Transferor Company) and Kirloskar Ferrous Industries Limited (Transferee Company) and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013

We, BDO Valuation Advisory LLP ('BDO Val' or 'We' or 'Us'), have been appointed by Kirloskar Ferrous Industries Limited ('the Client' or 'KFIL' or 'Transferee Company') vide engagement letter dated November 02, 2022 bearing reference number MG/Nov21/2022 to recommend the fair equity share exchange ratio for merger of ISMT Limited ('ISMT' or 'Transferor Company') with Kirloskar Ferrous Industries Limited on a going concern basis, as per the Proposed Scheme of Arrangement and Merger between ISMT and KFIL and their respective shareholders and creditors under sections 230 to 232 of the Companies Act, 2013 ('the Act') and other applicable provisions of the Act and the Rules made thereunder ('the Proposed Scheme').

ISMT and KFIL shall be collectively referred as ('Companies').

We are pleased to present herewith our report ('Report') on the same. We have determined the fair equity share exchange ratio for the Proposed Scheme as at the Report date ('Valuation Date').

A summary of the analysis is presented in the accompanying Report, as well as description of the methodology and procedure we used, and the factors we considered in formulating our opinion.

We believe that our analysis must be considered as a whole. Selecting portion of our analysis or the factors we considered, without considering all factors and analysis together could create a misleading view of the process underlying the valuation conclusions. The preparation of valuation is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.



This letter should be read in conjunction with the attached report.

For BDO Valuation Advisory LLP
IBBI Regn No.: IBBI/RV-E/02/2019/103

A handwritten signature in black ink, appearing to read 'Mandar Vikas Gadkari', written over a horizontal line.



VRN Number: IOVRVF/BDO/2022-2023/1263
Name: Mandar Vikas Gadkari
Designation: Partner
IBBI Regn No.: IBBI/RV/06/2018/10500

Encl: As Above

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1. Brief Background of the Companies

Kirloskar Ferrous Industries Limited ('KFIL' or 'the Transferee Company')

- 1.1. Kirloskar Ferrous Industries Limited (CIN: L27101PN1991PLC063223) is a public limited company incorporated under the Companies Act, 1956, having its registered office at 13 Laxmanrao Kirloskar Road, Khadki, Pune - 411003, Maharashtra, India.
- 1.2. The Transferee Company is engaged in the business of manufacturing pig iron and grey iron castings and caters to industry sectors such as tractors, automotive and diesel engines.
- 1.3. The equity shares of KFIL are listed on BSE Limited ('BSE') and permitted to trade on National Stock Exchange of India Limited ('NSE'). BSE and NSE shall collectively be referred as 'Stock Exchanges'.
- 1.4. Unsecured redeemable listed rated non-convertible debentures issued by the Transferee Company are listed on the wholesale debt market segment of the BSE.
- 1.5. The authorised share capital and the issued, subscribed and fully paid-up share capital of KFIL, as on November 04, 2022 was as follows:

Particulars	INR Mn
<u>Authorised Share Capital</u>	
21,00,00,000 equity shares of INR 5/- each	1,050.0
11,70,00,000 preference shares of INR 10/- each	1,170.0
Total	2,220.0
<u>Issued, Subscribed & Fully Paid-up Share Capital</u>	
13,88,26,844 equity shares of INR 5/- each	694.1
Total	694.1

Source : Management of KFIL

- 1.6. As per information provided by the management of KFIL:
 - Pursuant to the Employees Stock Option Scheme 2017 ("ESOP 2017"), 2,485,000 stock options are granted by KFIL till date of which 788,400 stock options are outstanding as on the Valuation Date. Assuming full exercise of granted stock options outstanding, the outstanding number of equity shares of KFIL shall increase by 788,400. As informed by the management of KFIL, the average exercise price of the ESOP 2017 is INR 103.0.
 - Pursuant to the Employees Stock Option Scheme 2021 ("ESOP 2021"), 1,670,000 stock options are granted by KFIL and are yet to be vested till date. Assuming full exercise of granted stock options outstanding, the outstanding number of equity shares of KFIL shall increase by 16,70,000. As informed by the management of KFIL, the average exercise price of the ESOP 2021 is INR 157.0.



- 1.7. All the above employee stock options of KFIL have been considered for the purpose of dilution of equity shares in the share exchange valuation in this Report, taking into account the exercise price of these options as on the Valuation Date.
- 1.8. The summarized shareholding pattern of KFIL as on November 04, 2022 is as follows:

Shareholder Category	No. of Equity Shares	% Holding
I. Promoter and Promoter Group	7,86,85,182	56.7%
II. Public	6,01,41,662	43.3%
Total	13,88,26,844	100.00%

Source: Management of KFIL

- 1.9. The Transferee Company is the holding company of the Transferor Company and as of November 04, 2022 holds 51.25% of the paid-up share capital of the Transferor Company.

The Transferee Company is designated as the Promoter with sole management control by the Transferor Company on BSE and NSE.

ISMT Limited ('ISMT' or 'the Transferor Company')

- 1.10. ISMT LIMITED (CIN: L27109PN1999PLC016417) is a company incorporated under the Companies Act, 1956, having its registered office at Panama House (earlier known as "Lunkad Towers"), Vimannagar, Pune 411014, Maharashtra, India.
- 1.11. The Transferor Company is mainly engaged in the business of manufacturing of specialty alloy, bearing steel and seamless tubes.
- 1.12. The equity shares of the Transferor Company are listed on the BSE and NSE.
- 1.13. The authorised share capital and the issued, subscribed and fully paid-up share capital of ISMT, as on September 30, 2022, was as follows:

Particulars	INR Mn
<u>Authorised Share Capital</u>	
31,70,00,000 equity shares of INR 5/- each	1,585.0
Total	1,585.0
<u>Issued, Subscribed & Fully Paid-up Share Capital</u>	
30,05,01,383 equity shares of INR 5/- each	1,502.5
Total	1,502.5

Source : BSE Limited

- 1.14. We have been informed by the management and representatives of ISMT that there has been no change in the above share capital of ISMT from September 30, 2022 till the date of issuance of this Report.



2. Purpose of Valuation

- 2.1. The management of KFIL has informed us that they are proposing merger of ISMT into and with KFIL in accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013 or any statutory modifications, re-enactment or amendments thereof for the time being in force read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, as amended from time to time and all other applicable provisions, if any, of the Act and any other applicable law for the time being in force including the applicable provisions of Securities and Exchange Board of India ('SEBI') Guidelines and the rules.
- 2.2. In this regard, we have been appointed to undertake the valuation to recommend the fair equity share exchange ratio for merger of ISMT with KFIL as per the Proposed Scheme.
- 2.3. The Appointed Date for the Scheme is April 01, 2023 or such other date as determined by the Board of KFIL to comply with the approvals/ directions from the Appropriate Authority.

3. Terms of Engagement

Context and Purpose

- 3.1. BDO Val has been appointed to determine the fair equity share exchange ratio for the Proposed Scheme of Merger as mentioned in para 2.1 of this Report. This valuation exercise and Valuation Report are solely for the purpose mentioned in the Report.

Restricted Audience

- 3.2. This Report and the information contained herein are absolutely confidential and are intended for the use of the Client only for submitting to the statutory authorities for compliance under section sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and applicable provisions and circular issued by SEBI applicable to the Proposed Scheme. The results of our valuation analysis and our Report cannot be used or relied by the Companies for any other purpose or by any other party for any purpose whatsoever.
- 3.3. This Report will be placed before the Audit Committee/the Board of Directors of KFIL and intended only for their sole use and information only. To the extent mandatorily required under applicable laws of India, this Report maybe produced before judicial, regulatory or government authorities, in connection with the Proposed Scheme of Merger. We are not responsible to any other person or party, for any decision of such person or party based on this Report. Any person or party intending to provide finance/ invest in the shares/ business of the Companies or their holding companies, subsidiaries, associates, joint ventures shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person/ party (other than the Client) chooses to place reliance upon any matters included in the Report, they shall do so at their own risk and without recourse to BDO Val.

- 3.4. It is hereby notified that usage, reproduction, distribution, circulation, copying or otherwise quoting of this Report or any part thereof, except for the purpose as set out earlier in this Report, without our prior written consent, is not permitted, unless there is a statutory or a regulatory requirement to do so.
- 3.5. Without limiting the foregoing, we understand that the Client may be required to share this Report with regulatory or judicial authorities including stock exchanges, SEBI, Regional Director, Registrar of Companies, National Company Law Tribunal, professional advisors of the Client including merchant banker providing fairness opinion on the fair equity share exchange ratio, in connection with the Proposed Scheme ('Permitted Recipients'). We hereby give consent to such disclosure of this Report, on the basis that we owe responsibility only to the Client that has engaged us, under the terms of the engagement, and no other person; and that, to the fullest extent permitted by law, we accept no responsibility or liability to any other party, in connection with this Report. It is clarified that reference to this Report in any document and/or filing with Permitted Recipients, in connection with the Proposed Scheme, shall not be deemed to be an acceptance by us of any responsibility or liability to any person/ party other than the Client.

4. Caveats, Limitations and Disclaimers

- 4.1. This Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.
- 4.2. This Report, its contents, and the analysis herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement, (ii) the Report date and (iii) based on the data detailed in the section - Sources of Information. The management of the Companies have represented that the business activities of the Companies have been carried out in the normal and ordinary course till the Report date and that no material changes are expected in their respective operations and financial position to occur up to the Report date.
- 4.3. We were provided with sufficient information and time to make our opinion for this valuation exercise. However, our opinion may change if any material information is not disclosed / hidden from us during our valuation exercise.
- 4.4. The scope of the assignment did not include performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was used during the course of the work. Accordingly, we express no audit opinion or any other form of assurance on this information on behalf of the Companies. The assignment did not involve us to conduct the financial or technical feasibility study. We have not done any independent technical valuation or appraisal or due diligence or legal title search of the assets or liabilities of the Companies and have considered them at the value as disclosed by the Companies in their regulatory filings or in submissions, oral or written, made to us.



- 4.5. Further, this valuation Report is based on the extant regulatory environment and the financial, economic, monetary and business/market conditions, and the information made available to us or used by us up to the date hereof, which are dynamic in nature and may change in future, thereby impacting the valuation of the Companies. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and we shall not be obliged to update, review or reaffirm this Report if the information provided to us changes. Further events occurring after the date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.
- 4.6. We have no present or planned future interest in the Companies or any of their group entities.
- 4.7. The recommendation contained herein is not intended to represent value at any time other than the Valuation Date.
- 4.8. This Report is subject to the laws of India.
- 4.9. The fee for this engagement is not contingent upon the outcome of the Report.
- 4.10. In rendering this Report, we have not provided legal, regulatory, tax, accounting or actuarial advice and accordingly we do not assume any responsibility or liability in respect thereof.
- 4.11. This Report is based on the information received from the sources mentioned herein and discussions with the representatives of the Companies. We have assumed that no information has been withheld that could have influenced the purpose of our Report.
- 4.12. We have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to us or used by us, we have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the Companies. Nothing has come to our knowledge to indicate that the material provided to us was mis-stated or incorrect or would not afford reasonable grounds upon which to base our Report.
- 4.13. For the present valuation exercise, we have also relied upon information available in the public domain; however, the accuracy and timeliness of the same has not been independently verified by us.
- 4.14. In addition, we do not take any responsibility for any changes in the information used by us to arrive at our conclusion as set out here in which may occur subsequent to the date of our Report or by virtue of fact that the details provided to us are incorrect or inaccurate.
- 4.15. We have arrived at a relative value based on our analysis. Any transaction price may however be significantly different and would depend on the negotiating ability and motivations of the respective buyers and sellers in the transaction.
- 4.16. Our scope is limited to recommendation of fair equity share exchange ratio. The Report should not be construed as, our opinion or certifying the compliance of the Proposed Scheme of Merger with

the provisions of any law including the Companies Act 2013, Foreign Exchange Management Act, 1999, taxation related laws, capital market related laws, any accounting, taxation or legal implications or issues arising from Proposed Scheme of Merger.

- 4.17. The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all their areas of operation unless otherwise stated and that the Companies will be managed in competent and responsible manner. Further, except as specifically stated to the contrary, this Report has given no consideration to matters of legal nature, including issues of legal title and compliance with local laws, litigation and other contingent liabilities that are not recorded in the financial statements of the Companies.
- 4.18. This Report does not look into the business/commercial reasons behind the Proposed Scheme of Merger nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Scheme of Merger as compared with any other alternative business transaction or any other alternatives, whether or not such alternatives could be achieved or are available. The assessment of commercial and investment merits in the Companies is sole responsibility of the investors of the Companies and we don't express opinion on the suitability or otherwise of entering into any financial or other transactions with the Companies.
- 4.19. Valuation and determination of a fair equity share exchange ratio is not a precise science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. There is therefore no indisputable single value. While we have provided an assessment of the value based on an analysis of information available to us and within the scope of our engagement, others may place a different opinion.
- 4.20. Whilst all reasonable care has been taken to ensure that the factual statements in the Report are accurate, neither us, nor any of our partners, officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. We expressly disclaim any and all liabilities, which may arise based upon the information used in this Report.
- 4.21. We owe responsibility to only the Board of Directors of the Client and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other party to the Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Companies, their directors, employees or agents. In the particular circumstances of this case, our liability, if any (in contract or under statute or otherwise) for any economic loss or damage arising out of or in connection with this engagement, howsoever the loss or damage caused, shall be limited to the amount of fees actually received by us from the Client as laid out in the engagement letter, for such valuation work.
- 4.22. We do not accept any liability to any third party in relation to the issue of this Report. It is understood that this analysis does not represent a fairness opinion. This Report is not a substitute

for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.

- 4.23. This Report does not in any manner address the prices at which equity shares of the Companies will trade following the announcement and/or implementation of the Proposed Scheme and we express no opinion or recommendation as to how the shareholders of the Companies should vote at the shareholders' meeting(s) to be held in connection with the Proposed Scheme.
- 4.24. The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by the Companies (or its representatives) and other sources and the said recommendation(s) shall be considered to be in the nature of non-binding advice, (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).

5. Sources of Information

- 5.1. For the purpose of undertaking this valuation exercise, we have relied on the following sources of information provided by the management and representatives of the Companies/ available in public domain:
- Detailed business profile and information of current business operations of the Companies;
 - Audited financial statements of the Companies for the year ended March 31, 2022;
 - Unaudited financial Results and limited review report of ISMT as on September 30, 2022;
 - Unaudited financial Results and limited review report of KFIL as on June 30, 2022;
 - Latest shareholding details of KFIL and ISMT;
 - Details of ESOPs outstanding as on November 4, 2022 for KFIL;
 - Relevant data and information provided to us by the management and representatives of the Client either in written or oral form or in form of soft copy and information available in public domain;
 - Information provided by leading database sources (proprietary databases subscribed by us or our network firm), market research reports and other published data (including the Stock Exchanges); and
 - Draft of Proposed Scheme.
- 5.2. We have also obtained the explanations, information and representations, which we believed were reasonably necessary and relevant for our exercise from the Management of the Companies. Client has been provided with the opportunity to review the draft Report (excluding the recommended Fair Equity Share Exchange Ratio) as part of our standard practice to make sure that factual inaccuracies/ omissions are avoided in our final Report.



- 5.3. The management of Companies has informed us that there would be no significant variation between the draft Scheme and the final scheme approved and submitted with the relevant authorities.

6. Procedures Adopted

- 6.1. Procedures used in our analysis included such substantive steps as we considered necessary under the circumstances, including but not limited to the following:

- Requested and received financial information;
- Obtained data available in public domain;
- Undertook industry analysis such as researching publicly available market data including economic factors and industry trends that may impact the valuation;
- Detailed analysis of Comparable Companies for the business similar to the Companies;
- Discussions (over call/emails/conferences) with the management of the Companies to understand the business and fundamental factors;
- Selection of valuation methodology/(ies) as per internationally accepted valuation methodologies;
- Determined the fair equity share exchange ratio based on the selected methodology.

For the purpose of arriving at the valuation of the Companies we have considered the valuation base as 'Fair Value' and the premise of value is 'Going Concern Value'. Any change in the valuation base, or the premise could have significant impact on our valuation exercise, and therefore, this report.

- 6.2. Client has informed us that JM Financials Limited has been appointed to provide fairness opinion on the recommended Fair Equity Share Exchange Ratio for the purpose of aforementioned Proposed Scheme of Merger. Further at the request of the Client, we have had discussions with the Fairness Opinion provider on the valuation approach adopted and assumptions made by us.
- 6.3. We understand that ISMT has appointed Mr. Amit Suresh Jain, Chartered Accountant (ICAI Membership Number 143649) and a Registered Valuer (IBBI Registration No IBBI/RV/05/2019/12675) (here in after referred to as "the other Valuer") to issue a valuation report on the fair equity exchange ratio for its regulatory compliance and evaluation purpose for the proposed merger.
- 6.4. As stated earlier, our scope is to undertake relative (and not absolute) valuation of the equity shares of the Companies and recommend fair share exchange ratio for the merger as per the Proposed Scheme. We have also been requested by the Client to discuss valuation approach with the other Valuer and arrive at consensus on the fair Share Exchange Ratio.



- 6.5. While we have independently carried out the valuation of the Companies for recommending the fair share exchange ratio, appropriate averaging and round off in values have been carried to arrive at consensus on the fair share exchange ratio.

7. Valuation Approaches

- 7.1. It is pertinent to note that the valuation of any company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, and prospects, financial and otherwise, of the companies/businesses, and other factors which generally influence the valuation of the companies, its businesses and assets.
- 7.2. The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, analysis of businesses, in an independent and bona fide manner based on our previous experience of assignments of similar nature.
- 7.3. It may be noted that BDO Val is enrolled with IOV Registered Valuers Foundation, which has recommended to follow International Valuation Standards (“IVS”) for undertaking valuation and accordingly we have considered the International Valuation Standards issued by International Valuation Standards Council (‘IVSC’) in carrying out the valuation exercise.
- 7.4. The Report Date is the Valuation Date (‘Valuation Date’). For valuation exercise, market parameters have been considered up to and including November 4, 2022.
- 7.5. There are three generally accepted approaches to valuation:
- (a) “Asset” / “Cost” Approach
 - (b) “Income” Approach
 - (c) “Market” Approach

Within these three basic approaches, several methods may be used to estimate the value. An overview of these approaches is as follows:



Asset / Cost Approach

Summation Method

The summation method, also referred to as the underlying asset method, is typically used for investment companies or other types of assets or entities for which value is primarily a factor of the values of their holdings.

This valuation approach is mainly used in case where the assets base dominates earnings capability.

Income Approach

The income approach is widely used for valuation under "Going Concern" basis. It focuses on the income generated by the company in the past as well as its future earning capability. The Discounted Cash Flow Method under the income approach seeks to arrive at a valuation based on the strength of future cash flows.

Discounted Cash Flow Method

Under the Discounted Cash Flow ('DCF') method, the value of the undertaking is based on expected 'cash flows for future, discounted at a rate, which reflects the expected returns and the risks associated with the cash flows as against its accounting profits. The value of the undertaking is determined as the present value of its future free cash flows.

Free cash flows are discounted for the explicit forecast period and the perpetuity value thereafter. Free cash flows represent the cash available for distribution to both, the owners and creditors of the business.

Discount rate is the Weighted Average Cost of Capital ('WACC'), based on an optimal vis-à-vis actual capital structure. It is appropriate rate of discount to calculate the present value of future cash flows as it considers equity-debt risk and also debt-equity ratio of the firm.

The perpetuity (terminal) value is calculated based on the business's potential for further growth beyond the explicit forecast period. The "constant growth model" is applied, which implies an expected constant level of growth (for perpetuity) in the cash flows over the last year of the forecast period.

The discounting factor (rate of discounting the future cash flows) reflects not only the time value of money, but also the risk associated with the business's future operations.

The Business/Enterprise Value so derived, is further reduced by value of debt, if any, (net of cash and cash equivalents) to arrive at value to the owners of business. The surplus assets / non-operating assets are also adjusted.

In case of free cash flows to equity, the cash available for distribution to owners of the business is discounted at the Cost of Equity and the value so arrived is the Equity Value before surplus/ non-operating assets. The surplus assets / non-operating assets are further added to arrive at the Equity Value.



Market Approach

Under the Market approach, the valuation is based on the market value of the company in case of listed companies and comparable companies trading or transaction multiples for unlisted companies. The Market approach generally reflects the investors' perception about the true worth of the company.

i. Market Price Method

Under this method, the market price of an equity shares of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the trading. The market value reflects the investors' perception about the true worth of the company.

ii. Comparable Companies Multiple Method

Under the Comparable Companies Multiple ('CCM') method, the value is determined on the basis of multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

To the value of the business so arrived, adjustments need to be made for the value of contingent assets/liabilities, surplus Asset and dues payable to preference shareholders, if any, in order to arrive at the value for equity shareholders.

iii. Comparable Transactions Multiple Method

Under the Comparable Transactions Multiple ('CTM') method, the value of a company can be estimated by analyzing the prices paid by purchasers of similar companies under similar circumstances. This is a valuation method where one will be comparing recent market transactions in order to gauge current valuation of target company. Relevant multiples have to be chosen carefully and adjusted for differences between the circumstances. This valuation approach is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation.

8. Conclusion on Valuation Approach

- 8.1. In order to consider reasonable methods for the valuation exercise, we have referred to the International Valuation Standards and the specific information/explanations available of KFIL and ISMT. We have considered the following respective methods for the valuation:



KFIL

8.2. In the present case, the shares of KFIL are listed on BSE and there are regular transactions in their equity shares with reasonable volumes on NSE. Hence Market Price Method under the Market Approach has been considered for valuation of KFIL. The volume weighted average share price observed on NSE for KFIL over a reasonable period has been considered for determining value under the market price methodology.

Comparable Companies Multiple Method (“CCM”) is also used for determining and arriving at the fair value of KFIL, since there are comparable companies operating in similar businesses in India. We have selected comparable companies and the multiples based on business description, size, profitability, etc. in comparison with KFIL. Further, due to paucity of comparable transactions, CTM method has not been considered.

In a ‘going concern’ scenario, for an operating entity, the earning power, as reflected under the Income and Market approaches, are of greater importance to the basis of amalgamation, than the value arrived on the net asset basis, which is of limited relevance. Therefore, we have not considered Asset / Cost approach for valuation since the asset / cost approach does not reflect the intrinsic value of the business operations in a “going concern scenario”.

Further, Discounted Cash Flow Method under the Income Approach has not been considered as KFIL is a listed entity and the Management has not provided us the information related to future profit and loss account, balance sheet and cash flows, being price sensitive information.

ISMT

In the present case, the shares of ISMT are listed on the Stock Exchanges and there are regular transactions in their equity shares with reasonable volumes on BSE and NSE. Hence Market Price Method under the Market Approach has been considered for valuation of ISMT. The volume weighted average share price observed on NSE (due to higher volumes on NSE) for ISMT over a reasonable period has been considered for determining value under the market price methodology.

Comparable Companies Multiple Method (“CCM”) is also used for determining and arriving at the fair value of ISMT, since there are comparable companies operating in similar businesses in India. We have selected comparable companies and the multiples based on business description, size, profitability, etc. compared to ISMT. Further, due to paucity of comparable transactions, CTM method has not been considered.

In a ‘going concern’ scenario, for an operating entity, the earning power, as reflected under the Income and Market approaches, are of greater importance to the basis of amalgamation, than the value arrived on the net asset basis, which is of limited relevance. Therefore, we have not considered Asset / Cost approach for valuation since the asset / cost approach does not reflect the intrinsic value of the business operations in a “going concern scenario”.



Further, Discounted Cash Flow Method under the Income Approach has not been considered for ISMT as it is a listed entity and management has not provided us the information related to future profit and loss account, balance sheet and cash flows, being price sensitive information.

Summary of Valuation Approaches Considered:

Name of the Companies	Methods Adopted
KFIL	Market Price Method
	CCM Method
ISMT	Market Price Method
	CCM Method

9. Basis of Fair Equity Share Exchange Ratio

- 9.1. The basis of the fair equity share exchange ratio for the Proposed Scheme would have to be determined after taking into consideration all the factors and methods mentioned hereinabove and to arrive at a final value for the shares of each company. It is, however, important to note that in doing so, we are not attempting to arrive at the absolute values of the Companies, but at their relative values to facilitate the determination of the fair equity share exchange ratio.
- 9.2. We have independently applied methods discussed above, as considered appropriate, and arrived at our assessment of value per share of the Companies. To arrive at the consensus on the fair equity share exchange ratio for the Proposed Scheme, rounding off have been done in the values.
- 9.3. The fair equity share exchange ratio has been arrived at on the basis of a relative valuation based on the various approaches/methods explained herein earlier and various qualitative factors relevant to each Company and the business dynamics and growth potentials of the businesses, having regard to information base, key underlying assumptions and limitations. For this purpose, we have assigned appropriate weights to the values arrived at under each approach/method.

10. Major factors that were considered during the valuation

- 10.1. The equity shares of KFIL and ISMT are listed on the Stock Exchanges;
- 10.2. Key operating/ financial parameters of KFIL and ISMT;
- 10.3. Nature of operations of KFIL and ISMT;
- 10.4. ESOPs issued by KFIL have been considered in the valuation for share dilution;
- 10.5. Discussion with the management of the Companies.



11. Conclusion

11.1. In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g., present and prospective competition, yield on comparable securities and market sentiments etc. which are not evident from the face of the balance sheets, but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions. For example, Viscount Simon Bd in Gold Coast Selection Trust Ltd. vs. Humphrey reported in 30 TC 209 (House of Lords) and quoted with approval by the Honorable Supreme Court of India in the case reported in 176 ITR 417 as under:

"If the asset takes the form of fully paid shares, the valuation will take into account not only the terms of the agreement but a number of other factors, such as prospective yield, marketability, the general outlook for the type of business of the company which has allotted the shares, the result of a contemporary prospectus offering similar shares for subscription, the capital position of the company, so forth. There may also be an element of value in the fact that the holding of the shares gives control of the company. If the asset is difficult to value, but is nonetheless of a money value, the best valuation possible must be made. Valuation is an art, not an exact science. Mathematical certainty is not demanded, nor indeed is it possible".

11.2. As discussed earlier, we have used Market Price method and Comparable Companies Multiple method for valuation of KFIL and ISMT to arrive at the recommended fair equity share exchange ratio for amalgamation of ISMT with KFIL as follows:

Valuation Approach	Valuation Method	KFIL		ISMT	
		Value Per Share (INR)	Weights	Value Per Share (INR)	Weights
Cost Approach ¹	Summation Method	NA	NA	NA	NA
Income Approach ²	DCF Method	NA	NA	NA	NA
Market Approach ³	MP Method	262.75	50%	53.91	50%
Market Approach ⁴	CCM Method	401.45	50%	58.11	50%
Relative Value Per Share		332.10		56.01	
Share Exchange Ratio (Rounded Off)		17		100	



NA means Not Adopted / Not Applicable.

1. *Summation Method under Cost Approach has not been considered for KFIL and ISMT since its value is derived from the future earnings potential.*
2. *DCF Method has not been considered for KFIL and ISMT as they are listed entities and the management has not provided us the information related to future profit and loss account, balance sheet and cash flows being price sensitive.*
3. *KFIL is listed on BSE and permitted to trade on NSE. ISMT is listed on BSE and NSE. Hence, we have considered market price method for valuing KFIL and ISMT.*
4. *We have used CCM Method for valuation of KFIL and ISMT based on comparable companies operating in similar businesses. CTM Method is not used due to paucity of comparable transactions in private space.*

11.3. Following is the recommended Fair Equity Share Exchange Ratio for Merger:

17 equity shares of Kirloskar Ferrous Industries Limited (of INR 5/- each fully paid up) for every 100 equity shares held in ISMT Limited (of INR 5/- each fully paid up).



KEYNOTE

Strictly Private and Confidential

Date: November 05, 2022

To,
The Board of Directors,
ISMT Limited
Panama House,
Viman Nagar,
Pune -411014
Maharashtra, India

Subject: Fairness Opinion on the equity share exchange ratio for the proposed merger of Indian Seamless Metal Tubes Ltd ('ISMT') with Kirolskar Ferrous Industries Limited ("KFIL").

Dear Sir(s)/ Madam,

We refer to the engagement letter dated November 2, 2022 ("**Engagement Letter**") whereby the management of ISMT Limited had appointed Keynote Financial Services Limited to undertake valuation exercise and provide a fairness opinion to the ISMT Board of Directors and it's committees on the share exchange ratio recommended by Amit Jain - Registered Valuer, for the proposed merger of ISMT with KFIL ("**Proposed Transaction**").

As part of the Proposed Transaction, KFIL would be discharging the consideration by making issue of equity shares to the shareholder of ISMT. In this regard, we are issuing this report to determine the fairness of the share exchange ratio determined by the Registered Valuer.

This report sets out our scope of work, background, source of information, procedures performed by us, and our opinion on the fairness of the proposed share exchange ratio.

KEYNOTE

BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

Indian Seamless Metal Tubes Limited ('ISMT')

ISMT Limited – is one of the largest integrated specialized seamless tube manufacturer in India. ISMT is predominantly engaged in the manufacturing of specialty alloy and bearing Steel. The end user segments are largely Bearing, Automotive, Engineering and Forging Customers apart from some customers requiring steel for specialized application. The fortunes of the specialty and alloy steel products is closely linked to automotive and auto component industry. ISMT has integrated Steel Plant which uses the Electric Arc Furnace technology to produce Steel.

ISMT's tubes are ideal for application such as manufacture of bearing, automobile components, drill rods, hydraulic cylinders, gas lines, boilers, etcetera. Apart from Sebring seamless tubes, ISMT also manufactures a wide range of value-added products made from tubes for each of these industries. These include items such as bearing rings, gear blanks, shifter sleeves, cages for constant velocity joints, swaged and machined axles, threaded and coupled casings, couplings, and a host of similar products.

ISMT is the leading producer of bearing steels in India with over 70% market share. The quality consciousness that the bearing industry necessarily demands has enabled ISMT to extend the same culture to other product lines and thereby carve out a niche as a specialized producer of carbon and alloy steel. Today, in addition to bearing steels we produce a vast array of specialized high-quality steel for the automotive industry, the forging industry, the textile machinery, fasteners and various other applications. All are steel is produced through the electric arc furnace route, is ladle refined, vacuum degassed, continuous cast and rolled.

Kirloskar Ferrous Industries Limited ('KFIL')

Kirloskar Ferrous Industries Limited is one of the fastest growing companies in the business of Pig Iron and Iron Castings. It is the only company in Asia with an integrated business model of mines to machined castings. With three manufacturing facilities in Koppal, Hiriyur (in Karnataka) and Solapur (in Maharashtra), it has pioneered itself in manufacturing products that serve a discerning customer base. Some of the world's major automobile manufacturers use its cylinder block, head castings, and housing in a wide range of engines, including construction machines, farm equipment, and utility vehicles. The pig iron is used to create a wide range of cast iron products that are vital in a variety of sectors.

Background of the Transaction:

The management of KFIL has informed us that they are proposing merger of ISMT into and with KFIL in accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013 or any statutory modifications, re-enactment or amendments thereof for the time being in force read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, as amended from time to time and all other applicable provisions, if any, of the Act and any other applicable law for the time being in force including the applicable provisions of SEBI Guidelines and the rules.

KEYNOTE

In this regard, we have been appointed to issue a report on the fairness on the recommended equity share exchange ratio for merger of ISMT with KFIL as per the Proposed Scheme.

Our report relates to the Proposed Transaction as aforesaid, wherein an independent opinion is required on the fair share exchange ratio between ISMT and KFIL for issuing KFIL's equity shares in exchange of acquisition of equity shares of ISMT. The equity shares to be issued for the aforesaid acquisition of KFIL will be based on the fair share exchange ratio as determined by the Board of Directors of ISMT on the basis of the fairness of the share exchange ratio mentioned in our report.

The scope of our services is to conduct a valuation exercise as at the Valuation Date to determine the fairness of the share exchange ratio determined by the Registered Valuer between ISMT and KFIL using internationally accepted valuation methodologies as may be applicable including requirement prescribed by the Securities and Exchange Board of India ('SEBI') Regulations as may be applicable to listed companies.

This report is our deliverable for the said engagement and is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the report is to be read in totality and in conjunction with the relevant documents referred to therein.

KEYNOTE

SOURCES OF INFORMATION

In connection with this exercise, we have used the following information received from the management and/or obtained from the public domain:

- Financial statements of ISMT for the financial year ('FY') ended March 31, 2021 ('FY21'), March 31, 2022 ('FY22') and half year ended 30th September 2022.
- Standalone and Consolidated Financial statements of KFIL for the financial year ('FY') ended March 31, 2021 ('FY21'), March 31, 2022 ('FY22') and quarter ended 30th June 2022.
- Details of share capital as on the Valuation Date of ISMT and KFIL;
- Share price and volume data for equity shares of ISMT and KFIL sourced from National Stock Exchange of India Ltd database available on its website;
- Discussions and correspondences with the management to inter-alia understand the historical performance, key value drivers, and competitive scenario;
- Other information and documents considered relevant for the purpose of this engagement.
- Valuation Report of Amit Jain, Registered Valuer dated 05th November, 2022 ("Valuation Report")

Industry and economy information:

- Information available in the public domain and databases such as Capital IQ and other subscribed databases.
- Such other information and relevant data, representations, information and explanations provided by the Management as considered relevant for the purpose of this engagement.

We have also considered/ obtained such other analysis, review, explanations and information considered reasonably necessary for our exercise, from the management.

PROCEDURE ADOPTED

Procedures adopted for our analysis included such substantive steps as we considered necessary under the circumstances, including, but not necessarily limited to the following:

- Discussion with the management to:
 - Understand the business and fundamental factors that affect the business of ISMT and KFIL including their earning generating capability.
 - Enquire about the historical financial performance and current state of affairs.
- Analyzed the economic and competitive environments in which ISMT and KFIL operates;
- Such other analyses, reviews and inquiries, as we considered necessary;
- Selection of appropriate internationally accepted valuation methodology/ (ies) after deliberations and consideration to the sector in which ISMT and KFIL operate and analysis of the size of business operations, the stage of ISMT and KFIL in its lifecycle, financial performance, etc.;
- Arrived at valuations of using the method/(s) considered appropriate; and
- Arrived at the fair share exchange ratio for the Proposed Transaction.

KEYNOTE

SCOPE, LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of fairness opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting/ tax due diligence, consulting or tax related services that may otherwise be provided by us.

The recommendation contained herein is as at the Valuation Date and is not intended to represent value at any time other than the Valuation Date.

This report, its contents and the results herein are specific and subject to:

- the purpose of the fairness opinion report agreed as per the terms of the engagement;
- the date of the report;
- market price reflecting the fair value of the underlying equity shares of ISMT and KFIL; and
- data detailed in the section - Sources of Information

We have been informed by the management that the business activities of ISMT and KFIL have been carried out in the normal and ordinary course between the latest financials and the report date and that no material changes have occurred in their respective operations and financial position between the latest available financials and the Valuation Date.

An analysis of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular. It is based on information made available to us as of the date of this report, events occurring after that date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The ultimate analysis will have to be tempered by the exercise of judicious discretion by the valuer and judgment taking into account the relevant factors. There will always be several factors e.g., management capability, the present and prospective yield on comparable securities, market sentiment etc., which are not evident on the face of the financial statements, but which will strongly influence the equity value/ the worth of the security.

The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by the management (or its representatives) till the date of this report and other sources, and the said conclusion shall be considered to be in the nature of non-binding advice (our recommendation should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).

The determination of fair value for arriving at a fair share exchange ratio is not a precise science and the conclusions arrived at in many cases, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single fair value. While we have provided our recommendation of the fair share exchange ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion. The final responsibility for the determination of the fair share exchange ratio at which the Proposed Transaction shall take place will be with the board of directors of ISMT, who should take into account other factors such as their own assessment of the Proposed Transaction and input of other advisors.

KEYNOTE

In the course of our analysis, we were provided with both written and verbal information, including market, technical, financial and operating data including information as detailed in the section - Sources of Information by the management.

In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification of,

- i) the accuracy of information that was publicly available which formed a substantial basis for the report; and
- ii) the accuracy of information made available to us by the management.

We have not carried out a due diligence or audit or review of ISMT or KFIL for the purpose of this engagement, nor have we independently investigated or otherwise verified the data provided.

We are not legal or regulatory advisors with respect to legal and regulatory matters for the Proposed Transaction. We do not express any form of assurance that the financial information or other information as prepared and provided by the management is accurate. Also, with respect to explanations and information sought from the advisors, we have been given to understand by the management that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness.

Our conclusions are based on these assumptions and information given by/ on behalf of the management. The management have indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our recommendation. Accordingly, we assume no responsibility for any errors in the information furnished by ISMT and their impact on the report. Also, we assume no responsibility for technical information (if any) furnished by the management. However, nothing has come to our attention to indicate that the information provided was materially misstated/ incorrect or would not afford reasonable grounds upon which to base the report. We do not imply, and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose.

The report assumes that ISMT and KFIL complies fully with relevant laws and regulations applicable in all its areas of operations and that they will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this report has given no consideration on to matters of a legal nature, including issues of legal title and compliance with local laws and litigation and other contingent liabilities that are not represented to us by the management.

This report does not look into the business/ commercial reasons behind the Proposed Transaction nor the likely benefits arising out of the same. Similarly, the report does not address the relative merits of the Proposed Transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available. This report is restricted to recommendation of fair share exchange ratio only

KEYNOTE

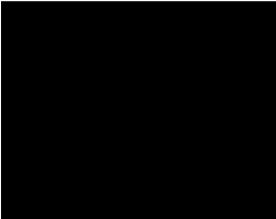
The fee for the engagement is not contingent upon the results reported.

Neither the report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the purpose of determining the fairness of the share exchange ratio for the Proposed Transaction and relevant filing with regulatory authorities and shareholders of ISMT in this regard, without our prior written consent.

In addition, this report does not in any manner address the prices at which equity shares of ISMT or KFIL shall trade following consummation of the Proposed Transaction and we express no opinion or recommendation as to how shareholders of ISMT or KFIL should vote at any shareholders' meetings. Our report and the opinion/ valuation analysis contained herein is not to be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities.

CONCLUSION:

In light of the above and based on our examination of the Proposed Scheme, Valuation Report dated 05th November 2022, and other information as provided to us by the management of ISMT and our independent analysis and evaluation of such information and subject to scope and limitations mentioned herein above, we are of the opinion that the share exchange ratio of 1 share of KFIL for every 5.9 shares of ISMT (rounded off to 17 shares of KFIL for every 100 shares of ISMT) is fair to the shareholders of ISMT.



Services Limited

SEBI Registration No. INM000003606
(Category I Merchant Banker)

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STRICTLY CONFIDENTIAL

November 5, 2022

**The Board of Directors,
Kirloskar Ferrous Industries Limited,
13, Laxmanrao Kirloskar Road,
Khadki, Pune 411003, Maharashtra, India.**

Ladies / Gentlemen:

We refer to the engagement letter dated October 29, 2022 (“**Engagement Letter**”) whereby Kirloskar Ferrous Industries Limited (“**Transferee Company**” or “**KFIL**” or “**Company**”) has engaged JM Financial Limited (“**JM Financial**”), *inter alia*, to provide a fairness opinion to KFIL on the Share Exchange Ratio (defined herein) recommended by BDO Valuation Advisory LLP bearing registration number IBBI/RV-E/02/2019/103 (“**BDO**” or “**Valuer**”) through their report dated November 5, 2022 (the “**Share Exchange Ratio Report**”) in relation to the proposed merger of ISMT Limited (“**ISMT**” or “**Transferor Company**”) into KFIL as part of a Scheme of Arrangement and Merger (the “**Scheme**”) under the provisions of Sections 230 to Section 232 of the Companies Act, 2013 read with other applicable provisions and rules thereunder.

Background

Kirloskar Ferrous Industries Limited:

KFIL is a company incorporated under the provisions of the Companies Act, 1956 and is listed on the BSE Limited (“**BSE**”) and permitted to trade on the National Stock Exchange Limited (“**NSE**”).

KFIL is *inter alia* engaged in the business of manufacturing pig iron and grey iron castings and caters to industry sectors such as tractors, automotives and diesel engines.

JM Financial Limited

Corporate Identity Number: L67120MH1986PLC038784

Regd. Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.

T: +91 22 6630 3030 **F:** +91 22 6630 3344 **www.jmfl.com**

ISMT Limited:

ISMT is a company incorporated under the provisions of the Companies Act, 1956 and is listed on NSE and BSE.

ISMT is engaged in the business of manufacturing of specialty alloy, bearing steel and seamless tubes.

Brief Background of the Scheme of Arrangement and Merger

Under the Scheme, *inter alia*, ISMT shall be merged with KFIL, pursuant to which the shareholders of ISMT shall receive equity shares of KFIL based on the following ratio (“**Share Exchange Ratio**”):

17 (Seventeen) equity shares of KFIL of the face value of Rs. 5/- each fully paid up will be issued for every 100 (Hundred) equity shares of ISMT of the face value of Rs. 5/- each fully paid up.

The Company, in terms of the Engagement Letter, has requested us to examine the Share Exchange Ratio Report issued by the Valuer and other related information provided by the Company and issue our independent opinion as to the fairness of the Share Exchange Ratio (“**Fairness Opinion**”) pursuant to the provisions of the SEBI Circular dated November 23, 2021 including amendments thereof (“**SEBI Circular**”) wherein, a listed entity is required to submit a fairness opinion by a SEBI registered merchant banker on valuation of shares done by the Valuer to the Stock Exchanges.

Source of Information

For the said examination and for arriving at the opinion set forth below, we have:

1. received the Share Exchange Ratio Report issued by the Valuer;
2. received the draft of the proposed Scheme;
3. received the historical financial information of KFIL and ISMT;
4. Certain other information/ explanation from the representatives of the Company.

Scope Limitations

We have assumed and relied upon, without independent verification on an “as is” basis, the accuracy and completeness of all the information that was publicly available or provided or otherwise made available to us for the purposes of this Fairness Opinion. We express no opinion, and accordingly, accept no responsibility with respect to or for such information, or the assumptions on which it is based, and, we have simply accepted this information on an “as is” basis, and, have not verified the accuracy and/ or the completeness of the same from our end. The Fairness Opinion

is provided as on the date of the Share Exchange Ratio Report and events occurring after the date hereof may affect this Fairness Opinion and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this fairness opinion. We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of KFIL or ISMT and neither express any opinion with respect thereto nor accept any responsibility therefor. We have not made any independent valuation or appraisal of the assets or liabilities of KFIL or ISMT, nor have we been furnished with any such appraisals. We have not reviewed any internal management information statements or any non-public reports and instead, with your consent, have relied upon information that was publicly available or provided or otherwise made available to us by KFIL or ISMT on an “as is” basis for the purposes of this Fairness Opinion. We are not experts in the evaluation of litigation or other actual or threatened claims, and accordingly, we have not evaluated any litigation or other actual or threatened claims. In addition, we have assumed that the proposed merger will be approved by regulatory authorities and that the proposed merger will be consummated substantially in accordance with the terms set forth in the proposed merger. We have assumed that there are no other contingent liabilities other than disclosed under the financial statements and undertaking provided by KFIL or ISMT or circumstances that could materially affect the business or financial prospects of KFIL or ISMT.

We understand that the management of KFIL and ISMT, during our discussion with them, would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion. We have assumed that in the course of obtaining necessary regulatory or other consents, no restrictions will be imposed or there will be no delays that will have a material adverse effect on the proposed merger. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and, on the information, made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have an obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we were not authorized to solicit, and did not solicit, interest from any party with respect to the acquisition, business combination or other extraordinary transaction involving the Company and ISMT or any of its assets, nor did we negotiate with any other party in this regard.

In the ordinary course of business, the JM Financial group is engaged in securities trading, securities brokerage and investment activities, as well as, providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of the JM Financial group may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the proposed merger.

We express no opinion whatsoever and make no recommendation at all as to KFIL’s underlying decision to effect the proposed merger. We also do not provide any recommendation to the holders of equity shares or secured or unsecured creditors of KFIL with respect to the proposed merger. We also express no opinion, and accordingly, accept no responsibility for or as to the price at which the equity shares of KFIL will trade following the announcement of the proposed merger or as to

the financial performance of the companies following the consummation of the proposed merger. We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders/ investors should buy, sell or hold any stake in KFIL or any of its related parties (holding company/ subsidiary/ associates etc.) or ISMT.

Conclusion

Based on our examination of the Share Exchange Ratio Report, such other information/ undertakings/ representations provided to us and our analysis and evaluation of such information and subject to the scope limitations as mentioned hereinabove and to the best of our knowledge and belief, we are of the opinion that the Share Exchange Ratio is fair for the shareholders of KFIL.

Distribution of the Fairness Opinion

The Fairness Opinion is addressed only to the Board of Directors of KFIL. The Fairness Opinion save and except pursuant to the SEBI Circular shall not otherwise be disclosed or referred to publicly or to any other third party without JM Financial's prior written consent.

However, KFIL may provide a copy of the Fairness Opinion if requested/ called upon by any regulatory authorities of India subject to KFIL promptly intimating JM Financial in writing about receipt of such request from the regulatory authority. The Fairness Opinion should be read in totality and not in parts. Further, this Fairness Opinion should not be used or quoted for any purpose other than the purpose mentioned hereinabove. If this Fairness Opinion is used by any person other than to whom it is addressed or for any purpose other than the purpose stated hereinabove, then, we will not be liable for any consequences thereof and shall not take any responsibility for the same as the same would have been shared in contravention of the provisions hereof on a "non-recourse" and "non-reliance" basis. Neither this Fairness Opinion nor its contents may be referred to or quoted to/ by any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties. In no circumstances however, will JM Financial or its management, directors, officers, employees, agents, advisors, representatives, successors, permitted assigns and controlling persons of JM Financial accept any responsibility or liability including any pecuniary or financial liability to any third party.

Yours truly,

For **JM Financial Limited**



Authorized Signatory

Shareholding Pattern

ISMT LTD.

Scrip Code : 532479

Quarter ending :September 2022

Declaration

Particular

Whether the Listed Entity has issued any partly paid up shares?

Whether the Listed Entity has issued any Convertible Securities ?

Whether the Listed Entity has issued any Warrants ?

Whether the Listed Entity has any shares against which depository receipts are issued?

Whether the Listed Entity has any shares in locked-in?

Whether any shares held by promoters are pledge or otherwise encumbered?

Whether company has equity shares with differential voting rights?

Summary statement holding of specified securities

Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	Total no. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Locked in shares		No. of equity shares held in dematerialized form	Sub-categorization of Shareholding (No. of)	
							No.(a)	As a % of total Shares held(b)		SubCategory_1	SubCategory_2
(A) Promoter & Promoter Group	17	22,52,20,861	22,52,20,861	74.95	22,52,20,861	74.95	15,40,00,000	68.38	22,52,17,461	-	-
(B) Public	72,856	7,52,80,522	7,52,80,522	25.05	7,52,80,522	25.05		0.00	6,30,43,204		
(C1) Shares underlying DRs				0.00		0.00		0.00		-	
(C2) Shares held by Employee Trust				0.00		0.00		0.00		-	
(C) Non Promoter- Non Public				0.00		0.00		0.00		-	
Grand Total	72,873	30,05,01,383	30,05,01,383	100.00	30,05,01,383	100.00	15,40,00,000	51.25	28,82,60,665		

Note:C=C1+C2

Grand Total=A+B+C

[Click here for "Statement showing shareholding pattern of the Promoter and Promoter Group"](#)[Click here for Statement showing shareholding pattern of the Public shareholder](#)[Click here for Statement showing shareholding pattern of the Non Promoter- Non Public shareholder](#)[Click here for Company Remarks](#)[Click here for Details of Disclosure by Trading Members \(TM\) holding 1% or more of the Total No. of Shares.](#)[Click here for Statement showing details of significant beneficial owners under.](#)[Click here for Statement showing foreign ownership limits.](#)

Statement showing shareholding pattern of the Promoter and Promoter Group

Category of shareholder	Entity Type	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		Number of Locked in shares		Number of equity shares held in dematerialized form
						No.(a)	As a % of total Shares held(b)	Class eg: X	Total	
A1) Indian					0.00		0.00		0.00	
Individuals/Hindu undivided Family		9	9,71,695	9,71,695	0.32	9,71,695	0.32		0.00	9,71,695
B R TANEJA (HUF)	Promoter Group	1	3,14,800	3,14,800	0.10	3,14,800	0.10		0.00	3,14,800
BALDEVRAJ TOPANRAM TANEJA	Promoter	1	1,45,534	1,45,534	0.05	1,45,534	0.05		0.00	1,45,534
JAGDISH PRASAD SURAKA HUF	Promoter Group	1	79,932	79,932	0.03	79,932	0.03		0.00	79,932
ALKA MEHTA	Promoter Group	1	73,473	73,473	0.02	73,473	0.02		0.00	73,473
RAMESH SUREKA	Promoter Group	1	1,32,155	1,32,155	0.04	1,32,155	0.04		0.00	1,32,155
PRITI A SUREKA	Promoter Group	1	1,05,967	1,05,967	0.04	1,05,967	0.04		0.00	1,05,967
SAVITRI DEVI SUREKA	Promoter	1	99,834	99,834	0.03	99,834	0.03		0.00	99,834
AVISHI SUREKA	Promoter Group	1	10,000	10,000	0.00	10,000	0.00		0.00	10,000
ROHIN RAJ SUREKA	Promoter Group	1	10,000	10,000	0.00	10,000	0.00		0.00	10,000
MINI SUREKA	Promoter Group				0.00		0.00		0.00	
SANJAY SUREKA	Promoter Group				0.00		0.00		0.00	
SALIL BALDEV TANEJA	Promoter Group				0.00		0.00		0.00	
Any Other (specify)		8	22,42,49,166	22,42,49,166	74.63	22,42,49,166	74.63	15,40,00,000	68.67	22,42,45,766
KIRLOSKAR FERROUS INDUSTRIES LIMITED	Promoter	1	15,40,05,747	15,40,05,747	51.25	15,40,05,747	51.25	15,40,00,000	100.00	15,40,05,747
KIRLOSKAR INDUSTRIES LIMITED	Promoter Group				0.00		0.00		0.00	
INDIAN SEAMLESS ENTERPRISES LTD	Promoter	1	6,90,20,151	6,90,20,151	22.97	6,90,20,151	22.97		0.00	6,90,20,151
MISRILALL PROPERTIES P LTD	Promoter Group	1	23,527	23,527	0.01	23,527	0.01		0.00	20,127
MISRILALL MINES PRIVATE LIMITED	Promoter Group	1	6,01,197	6,01,197	0.20	6,01,197	0.20		0.00	6,01,197

SHENTRACON HOLDINGS PRIVATE LIMITED	Promoter Group	1	58,543	58,543	0.02	58,543	0.02	0.00	58,543	
SATYA LEASING COMPANY LIMITED	Promoter Group	1	4,24,899	4,24,899	0.14	4,24,899	0.14	0.00	4,24,899	
LAURUS TRADECON PVT LTD	Promoter Group	1	300	300	0.00	300	0.00	0.00	300	
SHENTRACON FINALEASE PRIVATE LIMITED	Promoter Group	1	1,14,802	1,14,802	0.04	1,14,802	0.04	0.00	1,14,802	
PRISMO (INDIA) LIMITED	Promoter Group				0.00		0.00	0.00		
VISHKUL ENTERPRISES PVT LTD	Promoter Group				0.00		0.00	0.00		
Sub Total A1		17	22,52,20,861	22,52,20,861	74.95	22,52,20,861	74.95	15,40,00,000	68.38	22,52,17,461
A2) Foreign					0.00		0.00	0.00		
A=A1+A2		17	22,52,20,861	22,52,20,861	74.95	22,52,20,861	74.95	15,40,00,000	68.38	22,52,17,461

Note: Misrilal Properties Pvt Ltd., (Promoter Group) holds 23527 shares equivalent to 0.01% of the total share capital of the Company out of which 3400 shares are in physical form.

Statement showing shareholding pattern of the Public shareholder

Category & Name of the Shareholders	No. of shareholder	No. of fully paid up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of Locked in shares		No. of equity shares held in dematerialized form(Not Applicable)	Sub-categorization of shares (Shareholding (No. of shares) u		
							No. (a)	As a % of total Shares held(b)		SubCategory_I	SubCategory_II	Su
B1) Institutions	0	0		0.00		0.00				-	-	
B2) Institutions (Domestic)	0	0		0.00		0.00				-	-	
Mutual Funds/	8	47539	47,539	0.02	47,539	0.02		0.00	8,589			
Banks	8	4480	4,480	0.00	4,480	0.00		0.00	72			
NBFCs registered with RBI	4	90230	90,230	0.03	90,230	0.03		0.00	90,230			
Sub Total B1	20	142249	1,42,249	0.05	1,42,249	0.05		0.00	98,891			
B3) Institutions (Foreign)	0	0		0.00		0.00				-	-	
Foreign Portfolio Investors Category I	3	231345	2,31,345	0.08	2,31,345	0.08		0.00	2,31,345			
Any Other(Institutions (Foreign))	5	2651	2,651	0.00	2,651	0.00		0.00	1,451			
Sub Total B2	8	233996	2,33,996	0.08	2,33,996	0.08		0.00	2,32,796			
B4) Central Government/ State Government(s)/ President of India	0	0		0.00		0.00				-	-	
Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	1	10600	10,600	0.00	10,600	0.00		0.00	10,600			
Sub Total B3	1	10600	10,600	0.00	10,600	0.00		0.00	10,600			
B5) Non-Institutions	0	0		0.00		0.00				-	-	
Directors and their relatives (excluding independent directors and nominee directors)	3	21000	21,000	0.01	21,000	0.01		0.00	20,910			
Investor Education and Protection Fund (IEPF)	1	5930259	59,30,259	1.97	59,30,259	1.97		0.00	59,30,259			
INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY	1	5930259	59,30,259	1.97	59,30,259	1.97		0.00	59,30,259			
Resident Individuals holding nominal share capital up to Rs. 2 lakhs	66412	25411229	2,54,11,229	8.46	2,54,11,229	8.46		0.00	2,03,56,769			
Resident Individuals holding nominal	148	24641949	2,46,41,949	8.20	2,46,41,949	8.20		0.00	2,46,41,706			

share capital in excess of Rs. 2 lakhs

MUKUL MAHAVIR AGARWAL	1	3658506	36,58,506	1.22	36,58,506	1.22	0.00	36,58,506
Non Resident Indians (NRIs)	5222	2656288	26,56,288	0.88	26,56,288	0.88	0.00	8,45,631
Foreign Nationals	2	1900	1,900	0.00	1,900	0.00	0.00	1,900
Bodies Corporate	345	6569684	65,69,684	2.19	65,69,684	2.19	0.00	64,52,125
Any Other (specify)	694	9661368	96,61,368	3.22	96,61,368	3.22	0.00	44,51,617
ISSAL EMPLOYEE WELFARE FUND	1	5000000	50,00,000	1.66	50,00,000	1.66	0.00	
Trusts	3	5209751	52,09,751	1.73	52,09,751	1.73	0.00	
HUF	661	4336922	43,36,922	1.44	43,36,922	1.44	0.00	43,36,922
Clearing Members	30	114695	1,14,695	0.04	1,14,695	0.04	0.00	1,14,695
Sub Total B4	72827	74893677	7,48,93,677	24.92	7,48,93,677	24.92	0.00	6,27,00,917
B=B1+B2+B3+B4	72856	75280522	7,52,80,522	25.05	7,52,80,522	25.05	0.00	6,30,43,204

Details of the shareholders acting as persons in Concert including their Shareholding (No. and %):

Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting which are frozen etc.

Note

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The above format needs to disclose name of all holders holding more than 1% of total number of shares

(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available..



Shareholding Pattern

KIRLOSKAR FERROUS INDUSTRIES LTD.

Scrip Code : 500245

Quarter ending :September 2022

Declaration

Particular	Yes/No
Whether the Listed Entity has issued any partly paid up shares?	No
Whether the Listed Entity has issued any Convertible Securities ?	No
Whether the Listed Entity has issued any Warrants ?	No
Whether the Listed Entity has any shares against which depository receipts are issued?	No
Whether the Listed Entity has any shares in locked-in?	No
Whether any shares held by promoters are pledge or otherwise encumbered?	No
Whether company has equity shares with differential voting rights?	No

Summary statement holding of specified securities

Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	Total no. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form	Sub-categorization of shares (XV)		
								Shareholding (No. of shares) under		
								SubCategory_I	SubCategory_II	SubCategory_III
(A) Promoter & Promoter Group	19	7,86,85,182	7,86,85,182	56.68	7,86,85,182	56.68	7,86,85,182			
(B) Public	79,701	6,01,32,162	6,01,32,162	43.32	6,01,32,162	43.32	5,71,75,579			
(C1) Shares underlying DRs				0.00		0.00				
(C2) Shares held by Employee Trust				0.00		0.00				
(C) Non Promoter- Non Public				0.00		0.00				
Grand Total	79,720	13,88,17,344	13,88,17,344	100.00	13,88,17,344	100.00	13,58,60,761			

Note:C=C1+C2

Grand Total=A+B+C

[Click here for "Statement showing shareholding pattern of the Promoter and Promoter Group"](#)

[Click here for Statement showing shareholding pattern of the Public shareholder](#)

[Click here for Statement showing shareholding pattern of the Non Promoter- Non Public shareholder](#)

[Click here for Company Remarks](#)

[Click here for Details of Disclosure by Trading Members \(TM\) holding 1% or more of the Total No. of Shares.](#)

[Click here for Statement showing details of significant beneficial owners under.](#)

[Click here for Statement showing foreign ownership limits.](#)

Shareholding Pattern

KIRLOSKAR FERROUS INDUSTRIES LTD.

Scrip Code : 500245

Quarter Ending : September 2022

Statement showing shareholding pattern of the Promoter and Promoter Group

Category of shareholder	Entity Type	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		Number of equity shares held in dematerialized form
						Class eg: X	Total	
A1) Indian					0.00		0.00	
Individuals/Hindu undivided Family		14	60,40,687	60,40,687	4.35	60,40,687	4.35	60,40,687
Atul Chandrakant Kirloskar in individual capacity, as Karta of Atul C. Kirloskar (HUF) and as Trustee of C. S. Kirloskar Testamentary Trust	Promoter	1	9,89,726	9,89,726	0.71	9,89,726	0.71	9,89,726
Rahul Chandrakant Kirloskar in individual capacity and as Trustee of C. S. Kirloskar Testamentary Trust	Promoter	1	14,25,279	14,25,279	1.03	14,25,279	1.03	14,25,279
Sanjay Chandrakant Kirloskar as Karta of Sanjay C. Kirloskar (HUF)	Promoter	1	380	380	0.00	380	0.00	380
Arti Atul Kirloskar	Promoter Group	1	10,55,651	10,55,651	0.76	10,55,651	0.76	10,55,651
Alpana Rahul Kirloskar	Promoter Group	1	15,91,229	15,91,229	1.15	15,91,229	1.15	15,91,229
Jyotsna Gautam Kulkarni	Promoter				0.00		0.00	
Suman Chandrakant Kirloskar in individual capacity, as Karta of C. S. Kirloskar (HUF) and as	Promoter Group	1	90,535	90,535	0.07	90,535	0.07	90,535

Trustee of Vijaya
Durga Devi Trust

Mrinalini Shreekant Kirloskar	Promoter Group	1	6,500	6,500	0.00	6,500	0.00	6,500
Alok Sanjay Kirloskar	Promoter Group	1	1,520	1,520	0.00	1,520	0.00	1,520
Gauri Atul Kirloskar	Promoter Group	1	1,140	1,140	0.00	1,140	0.00	1,140
Aditi Atul Kirloskar	Promoter Group	1	8,77,187	8,77,187	0.63	8,77,187	0.63	8,77,187
Rama Sanjay Kirloskar	Promoter Group	1	760	760	0.00	760	0.00	760
Alika Rahul Kirloskar	Promoter Group	1	380	380	0.00	380	0.00	380
Geetanjali Vikram Kirloskar	Promoter Group	1	200	200	0.00	200	0.00	200
Roopa Jayant Gupta	Promoter Group	1	200	200	0.00	200	0.00	200
Nihal Gautam Kulkarni	Promoter Group				0.00		0.00	
Vikram Shreekant Kirloskar	Promoter				0.00		0.00	
Christopher Kolenaty	Promoter Group				0.00		0.00	
Akshay Sahni	Promoter Group				0.00		0.00	
Pia Christopher Kolenaty	Promoter Group				0.00		0.00	
Maya Christopher Kolenaty	Promoter Group				0.00		0.00	
Aman Rahul Kirloskar	Promoter Group				0.00		0.00	
Pratima Sanjay Kirloskar	Promoter Group				0.00		0.00	
Shruti Nihal Kulkarni	Promoter Group				0.00		0.00	
Komal Ambar Kulkarni	Promoter Group				0.00		0.00	
Gargi Nihal Kulkarni	Promoter Group				0.00		0.00	
Talan Ambar Kulkarni	Promoter Group				0.00		0.00	
Anika Nihal Kulkarni	Promoter Group				0.00		0.00	
Manasi Vikram Kirloskar	Promoter Group				0.00		0.00	
Anoushka Akshay Sahni	Promoter Group				0.00		0.00	
Arjun Akshay Sahni	Promoter Group				0.00		0.00	
Sneha Jain - Kirloskar	Promoter Group				0.00		0.00	

Ambar Gautam Kulkarni	Promoter Group				0.00		0.00	
Any Other (specify)		5	7,26,44,495	7,26,44,495	52.33	7,26,44,495	52.33	7,26,44,495
Kirloskar Industries Limited	Promoter Group	1	7,06,43,754	7,06,43,754	50.89	7,06,43,754	50.89	7,06,43,754
Kirloskar Pneumatic Company Limited	Promoter Group	1	20,00,000	20,00,000	1.44	20,00,000	1.44	20,00,000
Achyut and Neeta Holdings and Finance Private Limited	Promoter Group	1	541	541	0.00	541	0.00	541
Alpak Investments Private Limited	Promoter Group	1	100	100	0.00	100	0.00	100
Navsai Investments Private Limited	Promoter Group	1	100	100	0.00	100	0.00	100
Kirloskar Oil Engines Limited	Promoter Group				0.00		0.00	
Kirloskar Brothers Limited	Promoter Group				0.00		0.00	
Kirloskar Proprietary Limited	Promoter Group				0.00		0.00	
G. G. Dandekar Machine Works Limited	Promoter Group				0.00		0.00	
Kloudq Technologies Limited	Promoter Group				0.00		0.00	
Karad Projects and Motors Limited	Promoter Group				0.00		0.00	
The Kolhapur Steel Limited	Promoter Group				0.00		0.00	
Mahila Udyog Limited	Promoter Group				0.00		0.00	
Kirloskar Systems Private Limited (Change of company name from public to private w.e.f. 23 July 2021)	Promoter Group				0.00		0.00	
Asara Sales & Investments Private Limited	Promoter Group				0.00		0.00	
Better Value Holdings Private Limited	Promoter Group				0.00		0.00	
Prakar Investments Private Limited	Promoter Group				0.00		0.00	

Kirloskar Chillers Private Limited	Promoter Group	0.00	0.00
Kirloskar Integrated Technologies Private Limited	Promoter Group	0.00	0.00
Cees Investments and Consultants Private Limited	Promoter Group	0.00	0.00
Green Tek Systems (India) Private Limited	Promoter Group	0.00	0.00
Kirloskar Corrocoat Private Limited	Promoter Group	0.00	0.00
VikramGeet Investments and Holdings Private Limited	Promoter Group	0.00	0.00
Shri Harihareshwara Finance and Investments Private Limited	Promoter Group	0.00	0.00
VSK Holdings Private Limited	Promoter Group	0.00	0.00
Kirloskar Energen Private Limited	Promoter Group	0.00	0.00
Kirloskar Solar Technologies Private Limited	Promoter Group	0.00	0.00
KiARA Life Spaces Private Limited	Promoter Group	0.00	0.00
La-Gajjar Machineries Private Limited	Promoter Group	0.00	0.00
Kairi Investments LLC	Promoter Group	0.00	0.00
Kirloskar DMCC	Promoter Group	0.00	0.00
Kirloskar Trading SA (PTY) Limited [earlier known as Joburg Industrial Trading (SA) (PTY) Limited]	Promoter Group	0.00	0.00
KOEL Americas Corp USA	Promoter Group	0.00	0.00
Kirloskar South East Asia Company Limited	Promoter Group	0.00	0.00
Snow Leopard Technology Ventures LLP	Promoter Group	0.00	0.00

Snow Leopard Momentum LLP	Promoter Group	0.00	0.00
Snow Leopard Global Technology LLP	Promoter Group	0.00	0.00
Snow Leopard Infrastructure1 LLP	Promoter Group	0.00	0.00
Snow Leopard Lever Boost LLP	Promoter Group	0.00	0.00
Snow Leopard Momentum II LLP	Promoter Group	0.00	0.00
KBL Synerge LLP	Promoter Group	0.00	0.00
S.L.Kirloskar CSR Foundation	Promoter Group	0.00	0.00
Samarth Udyog Technology Forum	Promoter Group	0.00	0.00
KC Ventures LLP	Promoter Group	0.00	0.00
Arka Fincap Limited	Promoter Group	0.00	0.00
Kirloskar Management Services Private Limited	Promoter Group	0.00	0.00
Navasasyam Dandekar Private Limited	Promoter Group	0.00	0.00
Beluga Whale Capital Management Pte. Ltd.	Promoter Group	0.00	0.00
Saucelito Ventures	Promoter Group	0.00	0.00
Optiqua Pipes and Electricals Private Limited	Promoter Group	0.00	0.00
Avante Spaces Limited (earlier known as Wellness Space Developers Limited)	Promoter Group	0.00	0.00
Cephalopod Teknik LLP (earlier known as Snow Leopard Global Technology-II LLP)	Promoter Group	0.00	0.00
Snow Leopard Global Technology III - LLP	Promoter Group	0.00	0.00

Cephalopod Teknik II LLP	Promoter Group				0.00		0.00	
Arka Financial Holdings Private Limited	Promoter Group				0.00		0.00	
Arka Investment Advisory Services Private Limited	Promoter Group				0.00		0.00	
Sub Total A1		19	7,86,85,182	7,86,85,182	56.68	7,86,85,182	56.68	7,86,85,182
A2) Foreign					0.00		0.00	
A=A1+A2		19	7,86,85,182	7,86,85,182	56.68	7,86,85,182	56.68	7,86,85,182

Statement showing shareholding pattern of the Public shareholder

Category & Name of the Shareholders	No. of shareholder	No. of fully paid up equity shares held	Total no. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form(Not Applicable)	Sub-categorization of shares (XV)		
								Shareholding (No. of shares) under		
								SubCategory_I	SubCategory_II	SubCategory_III
B1) Institutions	0	0		0.00		0.00		-	-	-
B2) Institutions (Domestic)	0	0		0.00		0.00		-	-	-
Mutual Funds/	6	13818880	1,38,18,880	9.95	1,38,18,880	9.95	1,38,15,380			
Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund	1	1500700	15,00,700	1.08	15,00,700	1.08	15,00,700			
IDFC Sterling Value Fund	1	3275000	32,75,000	2.36	32,75,000	2.36	32,75,000			
HDFC Small Cap Fund	1	8928840	89,28,840	6.43	89,28,840	6.43	89,28,840			
Banks	1	500	500	0.00	500	0.00				
NBFCs registered with RBI	2	27410	27,410	0.02	27,410	0.02	27,410			
Sub Total B1	9	13846790	1,38,46,790	9.97	1,38,46,790	9.97	1,38,42,790			
B3) Institutions (Foreign)	0	0		0.00		0.00		-	-	-
Foreign Portfolio Investors Category I	5	16404	16,404	0.01	16,404	0.01	16,404			
Foreign Portfolio Investors Category II	41	1820187	18,20,187	1.31	18,20,187	1.31	18,20,187			
Any Other(Institutions (Foreign))	2	28500	28,500	0.02	28,500	0.02	5,000			
Foreign Institutional Investors	2	28500	28,500	0.02	28,500	0.02	5,000			
Sub Total B2	48	1865091	18,65,091	1.34	18,65,091	1.34	18,41,591			
B4) Central Government/ State Government(s)/ President of India	0	0		0.00		0.00		-	-	-
B5) Non-Institutions	0	0		0.00		0.00		-	-	-
Directors and their relatives (excluding independent directors and nominee directors)	1	35000	35,000	0.03	35,000	0.03	35,000			
Key Managerial Personnel	2	846521	8,46,521	0.61	8,46,521	0.61	8,46,521			
Investor Education and Protection Fund (IEPF)	1	1923721	19,23,721	1.39	19,23,721	1.39	19,23,721			
Resident Individuals holding nominal	76406	18668960	1,86,68,960	13.45	1,86,68,960	13.45	1,65,88,967			

share capital up
to Rs. 2 lakhs

**Resident
Individuals
holding nominal
share capital in
excess of Rs. 2
lakhs**

	60	12629609	1,26,29,609	9.10	1,26,29,609	9.10	1,26,11,309
Arun Nahar	1	2510031	25,10,031	1.81	25,10,031	1.81	25,10,031
Non Resident Indians (NRIs)	1758	1813368	18,13,368	1.31	18,13,368	1.31	15,01,578
Bodies Corporate	346	5687658	56,87,658	4.10	56,87,658	4.10	51,72,158
Cybage Software Private Limited	1	1775000	17,75,000	1.28	17,75,000	1.28	17,75,000
Any Other (specify)	1070	2815444	28,15,444	2.03	28,15,444	2.03	28,11,944
Employees	23	665961	6,65,961	0.48	6,65,961	0.48	6,65,961
Director or Director's Relatives	1	59367	59,367	0.04	59,367	0.04	59,367
Clearing Members	69	162282	1,62,282	0.12	1,62,282	0.12	1,62,282
HUF	953	1692002	16,92,002	1.22	16,92,002	1.22	16,88,502
LLP	21	233657	2,33,657	0.17	2,33,657	0.17	2,33,657
Trusts	3	2175	2,175	0.00	2,175	0.00	2,175
Sub Total B4	79644	44420281	4,44,20,281	32.00	4,44,20,281	32.00	4,14,91,198
B=B1+B2+B3+B4	79701	60132162	6,01,32,162	43.32	6,01,32,162	43.32	5,71,75,579

Details of the shareholders acting as persons in Concert including their Shareholding (No. and %):

Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

Note

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The above format needs to disclose name of all holders holding more than 1% of total number of shares

(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available.

Table I - Summary Statement holding of specified securities							
Note : Data will be automatically populated from shareholding pattern sheet - Data Entry Restricted in this sheet							
Category (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)
(A)	Promoter & Promoter Group	19	83785421			83785421	51.03
(B)	Public	151960	80417248			80417248	48.97
(C)	Non Promoter- Non Public						
(C1)	Shares underlying DRs						
(C2)	Shares held by Employee Trusts						
	Total	151979	164202669			164202669	100

Number of Voting Rights Held in each class of Securities (X)						
Class eg: X	No of Voting (XIV) Rights		Total as a % of (A+B+C)	No. Of Shares Underlying Outstanding convertible securities (X)	No. of Shares Underlying Outstanding Warrants (Xi)	No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)
	Class eg:y	Total				
83,785,421.00		83785421.00	51.03			
80417248.00		80417248.00	48.97			
164202669.00		164202669.00	100.00			

Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
	No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
51.03					83785421
48.97					75740279
100					159525700

Sr.	Category & Name of the Shareholders (i)	Nos. Of shareholders (iii)	No. of fully paid up equity shares held (iv)	No. Of Partly paid-up equity shares held (v)	No. Of shares underlying Depository Receipts (vi)	Total nos. shares held (vii) = (iv)+(v)+ (vi)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (viii) As a % of (A+B+C2)
A	Table II - Statement showing shareholding pattern of the Promoter and Promoter Group						
(1)	Indian						
(a)	<u>Individuals/Hindu undivided Family</u>	14	6040926			6040926	3.68
(b)	<u>Central Government/ State Government(s)</u>						
(c)	<u>Financial Institutions/ Banks</u>						
(d)	<u>Any Other (specify)</u>	5	77744495			77744495	47.35
	Sub-Total (A)(1)	19	83785421			83785421	51.03
(2)	Foreign						
(a)	<u>Individuals (NonResident Individuals/ Foreign Individuals)</u>						
(b)	<u>Government</u>						
(c)	<u>Institutions</u>						
(d)	<u>Foreign Portfolio Investor</u>						
(e)	<u>Any Other (specify)</u>						
	Sub-Total (A)(2)						
	Total Shareholding of Promoter and Promoter Group (A)=(1)+(A)(2)	19	83785421			83785421	51.03
	<u>Details of Shares which remain unclaimed for Promoter & Promoter Group</u>						

Table III - Statement showing shareholding pattern of the Public shareholder							
Institutions (Domestic)							
(a)	<u>Mutual Funds</u>	15	15867766			15867766	9.66
(b)	<u>Venture Capital Funds</u>						
(c)	<u>Alternate Investment Funds</u>	5	984044			984044	0.60
(d)	<u>Banks</u>	9	1261			1261	0.00
(e)	<u>Insurance Companies</u>						
(f)	<u>Provident Funds/ Pension Funds</u>						
(g)	<u>Asset reconstruction companies</u>						

Note : Kindly show details of shareholders having more than one percentage of total no of shares. Please refer software manual.

(f)	Investor Education and Protection Fund (IEPF)	1	3055053				3055053			1.86
(g)	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	141808	28621988				28621988			17.43
(h)	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	164	15825322				15825322			9.64
(i)	Non Resident Indians (NRIs)	7166	2197779				2197779			1.34
(j)	Foreign Nationals									
(k)	Foreign Companies									
(l)	Bodies Corporate	856	6189470				6189470			3.77
(m)	Any Other (specify)	1835	4132604				4132604			2.52
	Sub-Total (B)(4)	151834	61104737				61104737			37.21
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)+(B)(4)	151960	80417248				80417248			48.97

Details of the shareholders acting as persons in Concert for Public

Details of Shares which remain unclaimed for Public

Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder										
C	Custodian/DR Holder - Name of DR Holders (if Available)									
(1)	Employee Benefit Trust / Employee Welfare Trust under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021									
(2)	Total NonPromoter- Non Public Shareholding (C) = (C)(1)+(C)(2)									
	Total (A+B+C2)	151979	164202669				164202669			100.00
	Total (A+B+C)	151979	164202669				164202669			100.00

National Stock Exchange Of India Limited

Ref: NSE/LIST/33462_I

July 25, 2023

The Company Secretary
ISMT Limited
Panama House, Viman Nagar,
Pune -411 014

Kind Attn.: Mr. Chetan Nathani

Dear Sir,

Sub: Observation Letter for Draft Scheme of Arrangement amongst ISMT Limited (Transferor Company) and Kirloskar Ferrous Industries Limited (Transferee Company) and their respective shareholders and creditors.

We are in receipt for Draft Scheme of Arrangement amongst ISMT Limited (Transferor Company) and Kirloskar Ferrous Industries Limited (Transferee Company) and their respective shareholders and creditors vide application dated November 26, 2022.

Based on our letter reference no. NSE/LIST/33462 dated April 03, 2023, submitted to SEBI pursuant to SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 and Regulation 94(2) of SEBI (LODR) Regulations 2015, SEBI vide its letter dated July 24, 2023 has inter alia given the following comment(s) on the draft scheme of arrangement:

- a. *Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters, and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*
- b. *Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchanges, from the date of receipt of this letter, is displayed on the websites of the listed Company and the Stock Exchanges.*
- c. *The entities involved in the scheme shall duly comply with various provisions of the Circular.*
- d. *Company shall ensure that information pertaining to all the unlisted Companies involved in the scheme, shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*

- e. *Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
- f. *Company shall disclose the details of assets & liabilities and revenue of the Transferee Company prior to and after the scheme of amalgamation along with the details of Assets & Liabilities and revenue of Transferor Company that are being merged in the transferee company, as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013, so that the public shareholders can make an informed decision in the matter.*
- g. *Company shall ensure that the details of the proposed Scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders.*
- h. *Company shall ensure that the proposed equity shares to be issued in terms of the “Scheme” shall mandatorily be in demat form only.*
- i. *Company shall ensure that the “Scheme” shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.*
- j. *Company shall ensure that no changes to the draft scheme except those mandated by the regulators/authorities/tribunals shall be made without specific written consent of SEBI.*
- k. *Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.*
- l. *Company shall comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed Scheme.*
- m. *It is to be noted that the petitions are filed by the Company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

Please note that the submission of documents/information, in accordance with the Circular to SEBI and National Stock Exchange of India (NSE), should not in any way be deemed or construed that the same has been cleared or approved by SEBI and NSE. SEBI and NSE does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the documents submitted.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 94(2) of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from July 25, 2023, within which the Scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37 of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.

Yours faithfully,
For National Stock Exchange of India Limited

Dipti Chinchkhede
Senior Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL: <https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

DCS/AMAL/TL/R37/2840/2023-24

July 25, 2023

The Company Secretary,
 KIRLOSKAR FERROUS INDUSTRIES LTD.
 13, Laxmanrao Kirloskar Road, Khadki, Pune,
 Maharashtra, 411003

The Company Secretary,
 ISMT LTD.
 Panama House (earlier known as Lunkad
 Towers), Viman Nagar, Pune, Maharashtra,
 411014

Dear Sir,

Sub: Observation letter regarding the Scheme of Arrangement amongst ISMT Limited and Kirloskar Ferrous Industries Limited and their respective shareholders and creditors

We are in receipt of the Scheme of Arrangement amongst ISMT Limited and Kirloskar Ferrous Industries Limited and their respective shareholders and creditors filed by ISMT Limited and Kirloskar Ferrous Industries Limited as required under SEBI Master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 and Regulation 94(2) of SEBI (LODR) Regulations, 2015; SEBI vide its letter dated July 24, 2023 has inter alia given the following comment(s) on the draft scheme of Arrangement:

- a) "Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
- b) "Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- c) "Company shall ensure compliance with the SEBI circulars issued from time to time."
- d) "The entities involved in the Scheme shall duly comply with various provisions of the Circular."
- e) "Company is advised that the information pertaining to all the Unlisted Companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
- f) "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
- g) "Company is advised to disclose the details of assets and liabilities and revenue of the Transferee Company prior to and after the scheme of amalgamation along with the details of assets and liabilities and revenue of the Transferor Company that are being merged in the Transferee Company, as a part of explanatory statement or Notice or Proposal accompanying resolution to be passed to be forwarded by the Company to its shareholders while seeking approval u/s 230 to 232 of the Companies Act, 2013, so that public shareholders can make an informed decision in the matter."
- h) "Company is advised that the details of the proposed scheme under consideration as provided by Company to the stock exchange shall be prominently disclosed in the notice sent to the shareholders."

- i) "Company is advised that the proposed equity shares to be issued in terms of the 'Scheme' shall mandatorily be in demat form only."
- j) "Company shall ensure that the Scheme shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."
- k) "Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."
- l) "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company is obliged to bring the observations to the notice of Hon'ble NCLT."
- m) "Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."
- n) "It is to be noted that the petitions are filed by the company before Hon'ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as

the case may be is required to be served upon the Exchange seeking representations or objections if any.

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, would be accepted and processed through the

Listing Centre only and no physical filings would be accepted. You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

Rupal Khandelwal
Rupal Khandelwal
Deputy General Manager

Tanmayi Lele
Tanmayi Lele
Assistant Manager

DCS/AMAL/TL/R37/2840/2023-24

July 25, 2023

The Company Secretary,
 KIRLOSKAR FERROUS INDUSTRIES LTD.
 13, Laxmanrao Kirloskar Road, Khadki, Pune,
 Maharashtra, 411003

The Company Secretary,
 ISMT LTD.
 Panama House (earlier known as Lunkad
 Towers), Viman Nagar, Pune, Maharashtra,
 411014

Dear Sir,

Sub: Observation letter regarding the Scheme of Arrangement amongst ISMT Limited and Kirloskar Ferrous Industries Limited and their respective shareholders and creditors

We are in receipt of the Scheme of Arrangement amongst ISMT Limited and Kirloskar Ferrous Industries Limited and their respective shareholders and creditors filed by ISMT Limited and Kirloskar Ferrous Industries Limited as required under SEBI Master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 and Regulation 94(2) of SEBI (LODR) Regulations, 2015; SEBI vide its letter dated July 24, 2023 has inter alia given the following comment(s) on the draft scheme of Arrangement:

- a) "Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
- b) "Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- c) "Company shall ensure compliance with the SEBI circulars issued from time to time."
- d) "The entities involved in the Scheme shall duly comply with various provisions of the Circular."
- e) "Company is advised that the information pertaining to all the Unlisted Companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
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- i) "Company is advised that the proposed equity shares to be issued in terms of the 'Scheme' shall mandatorily be in demat form only."
- j) "Company shall ensure that the Scheme shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."
- k) "Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."
- l) "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company is obliged to bring the observations to the notice of Hon'ble NCLT."
- m) "Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."
- n) "It is to be noted that the petitions are filed by the company before Hon'ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as

the case may be is required to be served upon the Exchange seeking representations or objections if any.

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, would be accepted and processed through the

Listing Centre only and no physical filings would be accepted. You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

Rupal Khandelwal
Rupal Khandelwal
Deputy General Manager

Tanmayi Lele
Tanmayi Lele
Assistant Manager

ISMT/SEC/22-23

December 26, 2022

The General Manager,
Department of Corporate Services,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001
Scrip Code: 532479

Dear Sirs,

Subject:

- (i) Application dated November 26, 2022 (“**Application**”) under Regulation 37 of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 (“**Listing Regulations**”) for the Scheme of Arrangement and Merger (“**Draft Scheme**”) amongst ISMT Limited (“**Company**” or “**Transferor Company**”) and Kirloskar Ferrous Industries Limited (“**KFIL**” or “**Transferee Company**”) and their respective shareholders and creditors.
- (ii) Complaints Report as per checklist issued by BSE Limited (“**BSE**”).

We refer to the Draft Scheme and our Application. In accordance with the SEBI Master Circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 (“**SEBI Master Circular**”), we are required to submit a complaints report within 7 days of expiry of 21 days from the date of uploading of Draft Scheme and related documents on BSE’s website. Please note that the Application was filed on November 26, 2022 and the Draft Scheme and related documents were uploaded by BSE on its’ website on December 2, 2022.

Accordingly, we submit below, the complaints report as per format provided under the SEBI Master Circular and within the abovementioned timelines:

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	N.A.
5.	Number of complaints pending	N.A.

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
N.A.			

We request you to take the same on record and kindly provide us with your no objection/ observation letter at the earliest and oblige.

Thanking you.

Yours faithfully,

For ISMT Limited

CHETAN
MANOHAR
NATHANI
Date: 2022.12.26
12:40:52 +05'30'

Chetan Nathani

Company Secretary



5CT-0123, 5L-0102 (Facility ID:829)
5CT-1969, 5L-1144, 5DP-0245 (Facility ID:2585)



ISO/IATF : 16949:2016

Corporate & Registered Office
Panama House (Earlier known as Lunkad Towers),
Viman Nagar, Pune - 411 014, India.
Phone : +91 20 4143 4100 | Fax : +91 20 26630779
www.ismt.com

CIN : L27109PN1999PLC016417

E-mail: secretarial@ismt.co.in



ISO : 9001:2015



BS ISO 45001:2018
ISO : 14001:2015

COMPLIANCE REPORT

It is hereby certified that the draft scheme of arrangement involving ISMT Limited (“**Transferor Company**”), Kirloskar Ferrous Industries Limited (“**Transferee Company**”) and their shareholders and creditors (“**Scheme**”) under Sections 230-232 and other applicable provisions of the Companies Act, 2013, does not, in any way violate, override or limit the provisions of securities laws or requirements of the Stock Exchange(s) and the same is in compliance with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”) and the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 (“**SEBI Circular**”), including the following:

Sr. No.	Reference	Particulars
1	Regulations 17 to 27 of LODR Regulations	Corporate governance requirements
2	Regulation 11 of LODR Regulations	Compliance with securities laws
Requirements of this circular		
(a)	Para (I)(A)(2)	Submission of documents to Stock Exchanges
(b)	Para (I)(A)(2)	Conditions for schemes of arrangement involving unlisted entities- Not applicable
(c)	Para (I)(A)(4) (a)	Submission of Valuation Report
(d)	Para (I)(A)(5)	Auditors certificate regarding compliance with Accounting Standards
(e)	Para (I)(A)(9)	Provision of approval of public shareholders through e-voting

Chethan

Chetan Nathani
Company Secretary

N Ektare

Nishikant Ektare
Managing Director

Certified that the transactions/ accounting treatment provided in the scheme of arrangement involving ISMT Limited (“**Transferor Company**”), Kirloskar Ferrous Industries Limited (“**Transferee Company**”) and their shareholders and creditors are in compliance with all the Accounting Standards applicable to a listed entity

Suresh

Suresh Patil
Chief Financial Officer

N Ektare

Nishikant Ektare
Managing Director

Date: 5 November 2022



29 December 2022

The General Manager
Department of Corporate Services
BSE Limited
P.J. Towers, Dalal Street,
Mumbai 400001
[Equity Scrip Code : 500245]

Dear Sir / Madam,

Subject :

1. Application dated 26 November 2022 ("Application") under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("Listing Regulations") for the Scheme of Arrangement and Merger ("Draft Scheme") of ISMT Limited ("ISMT" or "Transferor Company") with Kirloskar Ferrous Industries Limited ("KFIL" or "Company" or "Transferee Company") and their respective shareholders and creditors.
2. Complaints Report as per the SEBI Master Circular dated 23 November 2021

Reference : Case No. 163698 at BSE Listing Centre

We refer to the Draft Scheme and our Application. In accordance with the provisions of the SEBI Master Circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23 November 2021, we are required to submit a complaints report within seven days of the expiry of twenty one days from the date of uploading of Draft Scheme and related documents on the website of BSE Limited.

You are requested to note that the Application was filed on 26 November 2022 and the Draft Scheme and related documents were uploaded by BSE on its' website on 2 December 2022. Accordingly, we submit the complaints report as given below in the prescribed format :

Part A

Sr. No.	Particulars	Number
1	Number of complaints received directly	Nil
2	Number of complaints forwarded by Stock Exchanges / SEBI	Nil
3	Total Number of complaints / comments received (1+2)	Nil
4	Number of complaints resolved	Not applicable
5	Number of complaints pending	Not applicable



Page 1 of 2

Kirloskar Ferrous Industries Limited
A Kirloskar Group Company

Registered Office :
13, Laxmanrao Kirloskar Road, Khadki, Pune 411003, Maharashtra
Telephone : +91 (20) 66084645 Telefax : +91 (20) 25813208 / 25810209
Email : kfilinvestor@kirloskar.com Website : www.kirloskarferrous.com
CIN : L27101PN1991PLC063223

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Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved / Pending)
--	Not applicable		

You are requested to take the same on record and provide your no objection / observation letter at the earliest.

Thanking you,

Yours faithfully,
For Kirloskar Ferrous Industries Limited



Mayuresh Gharpure
Company Secretary



COMPLIANCE REPORT

It is hereby certified that the draft scheme of arrangement involving ISMT Limited ("Transferor Company"), Kirloskar Ferrous Industries Limited ("Transferee Company") and their shareholders and creditors ("Scheme") pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules thereof, does not in any way violate, override or limit the provisions of securities laws or requirements of the Stock Exchange(s) and the same is in compliance with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23 November 2021 ("SEBI Circular"), including the following:

Sr No	Reference	Particulars
1	Regulations 17 to 27 of LODR Regulations	Corporate governance requirements
2	Regulation 11 of LODR Regulations	Compliance with securities laws
Requirements of this circular		
(a)	Para (I)(A)(2)	Submission of documents to Stock Exchanges
(b)	Para (I)(A)(2)	Conditions for schemes of arrangement involving unlisted entities - Not applicable
(c)	Para (I)(A)(4) (a)	Submission of Valuation Report
(d)	Para (I)(A)(5)	Auditors certificate regarding compliance with Accounting Standards
(e)	Para (I)(A)(9)	Provision of approval of public shareholders through e-voting

For Kirloskar Ferrous Industries Limited



Mayuresh Gharpure
Company Secretary



R. V. Gumaste
Managing Director
(DIN : 00082829)



Date : 5 November 2022

Certified that the transactions / accounting treatment provided in the draft scheme of arrangement involving ISMT Limited ("Transferor Company"), Kirloskar Ferrous Industries Limited ("Transferee Company") and their shareholders and creditors are in compliance with all the Accounting Standards applicable to the Company.

For Kirloskar Ferrous Industries Limited



R. S. Srivatsan
Executive Director (Finance) and
Chief Financial Officer
(DIN : 0009607651)



R. V. Gumaste
Managing Director
(DIN : 00082829)



Date : 5 November 2022

P G BHAGWAT LLPChartered Accountants
LLPIN: AAT - 9949**HEAD OFFICE**Suite 102, 'Orchard',
Dr. Pai Marg, Baner,
Pune - 411045.
Tel.: 020 - 27290771 / 1772 / 1773
Email : pgb@pgbhagwatca.com
Web : www.pgbhagwatca.com**Independent Auditor's Report on the Quarterly and Annual Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended****To**
The Board of Directors of
ISMT Limited**Report on the Audit of the Standalone Financial Results****Opinion**

We have audited the accompanying standalone quarterly and annual financial results of ISMT Limited (the "Company") for the quarter and year ended March 31, 2023 ('standalone financial results'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, these standalone financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion



Management's Responsibilities for the Standalone Financial Results

These quarterly and annual financial results have been prepared on the basis of the standalone financial statements.

The Company's Board of Directors are responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rule 2015 (as amended) under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.



We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



P G BHAGWAT LLP

Chartered Accountants
LLPIN: AAT - 9949

Emphasis of Matters

We draw attention to:

- i. Note No. 1 of the Statement, regarding additional provision for impairment made by the Company to the extent of Rs 7.51 Crores in respect of its investment (including advances) in subsidiary "Structo Hydraulic Sweden" (SHAB) (including investment through Its Subsidiary Company, ISMT Enterprises S.A., Luxembourg) based on the management assessment and valuation report of independent valuer.
- ii. Note No. 3 of the Statement, that the company is in the process of discharging the obligation regarding remuneration payable to Erstwhile Managing Director of the Company amounting to Rs 4.20 Crore cumulative up to March 31, 2022 based on legal opinion and requisite approvals.

Other Matters

- i. The standalone financial results of the company for the quarter and year ended March 31, 2022 were audited by the predecessor auditors, D N V & Co., Chartered Accountants who expressed an unmodified opinion on those standalone financial results vide their audit report dated May 9, 2022.
- ii. The quarterly standalone financial results for the period ended March 31, 2023 are the derived figures between the audited figures in respect of the year ended March 31, 2023 and the published year-to-date figures up to December 31, 2022, being the date of the end of the third quarter of the current financial year, which were subjected to limited review as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Our opinion is not modified in respect of these matters.

For P G BHAGWAT LLP

Chartered Accountants

Firm Registration Number- 101118W/W100682



Nachiket Deo
Partner

Membership Number: 117695

UDIN: 23117695BGXKOS9347

Place: Pune

Date: May 3, 2023



ISMT Limited

Regd. Office : Panama House (earlier known as Lunkad Towers) , Viman Nagar, Pune 411 014, Maharashtra.

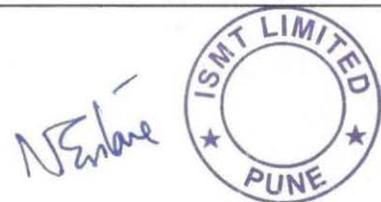
Phone : 020-41434100, Fax : 020-26630779, E-Mail : secretarial@ismt.co.in,

Web : www.ismt.com, CIN : L27109PN1999PLC016417

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

Rs. in Crore

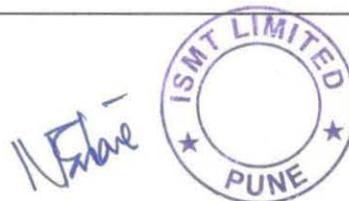
Sr. No	Particulars	Standalone				
		Quarter ended			Year ended	
		March 31, 2023	Dec. 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
		Refer Note 6	Unaudited	Refer Note 6	Audited	Audited
1	Income					
	Revenue from Operations					
	Sales of Products	940.53	873.81	943.04	3,860.01	3,216.84
	Less : Inter Segment Transfers	281.15	265.49	341.11	1,230.51	1,003.79
	Inter Division Transfers	25.03	22.54	32.01	95.97	89.64
	(a) Net Sales	634.35	585.78	569.92	2,533.53	2,123.41
	(b) Other Operating Revenue	9.25	6.58	7.44	27.78	29.13
	(c) Revenue From Operations - (a+b)	643.60	592.36	577.36	2,561.31	2,152.54
	(d) Other Income	11.15	3.74	8.80	20.39	18.12
	Total Income - (c+d)	654.75	596.10	586.16	2,581.70	2,170.66
2	Expenses					
	(a) Cost of Materials Consumed	339.39	326.13	311.61	1,380.93	1,283.16
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(12.79)	(26.27)	22.85	(6.28)	(44.58)
	(c) Employee Benefits Expense	40.03	42.52	44.76	159.52	158.84
	(d) Finance Costs	3.23	4.81	(190.59)	21.24	12.69
	(e) Depreciation	16.16	13.09	14.97	55.28	59.93
	(f) Other Expenses	218.08	187.64	205.47	805.93	694.67
	Total Expenses	604.10	547.92	409.07	2,416.62	2,164.71
3	Profit / (Loss) before Exceptional Items and tax (1-2)	50.65	48.18	177.09	165.08	5.95
4	Exceptional Items (Refer Note No. 2)	7.54	0.10	(2,494.10)	7.77	(2,494.10)
5	Profit / (Loss) before tax (3-4)	43.11	48.08	2,671.19	157.31	2,500.05
6	Tax Expenses:					
	(a) Current Tax	33.70	13.74	17.22	65.80	17.22
	(b) Deferred Tax	3.01	0.14	43.52	3.78	43.52
	(c) Earlier years Tax	-	-	(0.06)	(8.82)	(0.13)
	(d) MAT Credit written off	-	-	82.05	-	82.05
7	Profit / (Loss) after tax (5- 6)	6.40	34.20	2,528.46	96.55	2,357.39
8	Other Comprehensive Income (net of tax)					
	(a) Items that will not be reclassified to Profit or Loss					
	Gain/ (Loss) on Remeasurement of Defined Benefit Plan	2.53	0.26	(3.03)	3.31	(7.83)
	Income tax effect on above	(0.61)	(0.08)	1.97	(0.83)	1.97
	Gain/ (Loss) on Remeasurement of Defined Benefit Plan (net of tax)	1.92	0.18	(1.06)	2.48	(5.86)
	(b) Items that will be reclassified to Profit or Loss	-	-	-	-	-
	Other Comprehensive Income (Net of tax) (a+b)	1.92	0.18	(1.06)	2.48	(5.86)
9	Total Comprehensive Income for the period (7+8)	8.32	34.38	2,527.40	99.03	2,351.53
10	Paid-up Equity Share Capital (Face Value of Rs. 5/- per share)	150.25	150.25	150.25	150.25	150.25
11	Other Equity (Excluding Revaluation Reserve)	-	-	-	1,180.00	1,077.83
12	Earnings per share					
	Basic & Diluted Earnings per share of Rs.5/- each (Rs.) (not annualised)	0.21	1.14	162.31	3.21	151.32



SEGMENT WISE STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023.

Sr No	Particulars	Rs. in Crore				
		Standalone			Year ended March 31, 2023	Year ended March 31, 2022
		Quarter ended March 31, 2023	Quarter ended December 31, 2022	Quarter ended March 31, 2022		
Refer No 6	Unaudited	Refer No 6	Audited	Audited		
1 Segment Revenue						
a) Gross Sales – Tube	545.48	480.45	501.11	2,073.43	1,592.51	
Less : Inter Division	25.03	22.54	32.01	95.97	89.64	
Sub total	520.45	457.91	469.10	1,977.46	1,502.87	
b) Gross Sales – Steel	395.05	393.36	441.93	1,786.58	1,624.33	
Less : Inter Segment	281.15	265.49	341.11	1,230.51	1,003.79	
Sub total	113.90	127.87	100.82	556.07	620.54	
Total Segment Revenue	634.35	585.78	569.92	2,533.53	2,123.41	
2 Segment Results						
Profit / (Loss) after Depreciation and Before Finance Costs & Exceptional items, Unallocable income (net) and Tax.						
a) Tube	40.75	52.53	1.02	154.92	6.19	
b) Steel *	9.76	0.98	5.35	30.39	40.90	
Total	50.51	53.51	6.37	185.31	47.09	
Less : Finance Costs	3.23	4.81	(190.59)	21.24	12.69	
Less : Exceptional items (Refer Note No. 2)	7.54	0.10	(2,494.10)	7.77	(2,494.10)	
Add : Unallocable Income (Net of Unallocable Expenses)	3.37	(0.52)	(19.87)	1.01	(28.45)	
Total Profit / (-Loss) Before Tax	43.11	48.08	2,671.19	157.31	2,500.05	
Less : Tax Expenses	-	-	-	-	-	
Current Tax	33.70	13.74	17.22	65.80	17.22	
Deferred Tax	3.01	0.14	43.52	3.78	43.52	
Earlier Years Tax	-	-	(0.06)	(8.82)	(0.13)	
MAT Credit written off	-	-	82.05	-	82.05	
Total Profit / (Loss) After Tax	6.40	34.20	2,528.46	96.55	2,357.39	
3 Capital Employed						
Segment Assets						
a) Tube	1,412.77	1,395.03	1,404.81	1,412.77	1,404.81	
b) Steel	471.91	493.24	386.41	471.91	386.41	
c) Unallocable	88.02	249.95	182.30	88.02	182.30	
Total Assets	1,972.70	2,138.22	1,973.52	1,972.70	1,973.52	
Segment Liabilities						
a) Tube	176.28	183.12	124.68	176.28	124.68	
b) Steel	122.45	263.82	166.25	122.45	166.25	
c) Unallocable	159.16	184.79	266.81	159.16	266.81	
Total Liabilities	457.89	631.73	557.74	457.89	557.74	

* Includes profit on steel captively consumed by Tube Segment



ISMT LIMITED

STATEMENT OF STANDALONE ASSETS AND LIABILITIES

Rs. In Crore

Particulars	As at March	As at March
	31, 2023	31, 2022
	Audited	Audited
A ASSETS		
1 Non - Current Assets		
a) Property, Plant and Equipment	982.32	1,079.71
b) Capital Work-in-Progress	19.08	3.57
c) Financial Assets		
i) Investments	56.79	64.31
ii) Trade Receivables	-	-
iii) Other Financial Assets	19.26	18.69
d) Other Non Current Assets	13.96	2.87
Sub Total	1,091.41	1,169.15
2 Current Assets		
a) Inventories	470.28	424.42
b) Financial Assets		
i) Trade Receivables	327.83	303.55
ii) Cash and Cash Equivalents	25.67	47.70
iii) Bank Balance Other than (ii) above	1.48	2.18
iv) Loans	1.18	1.00
v) Other Financial Assets	8.56	7.22
c) Other Current Assets	46.29	18.30
Sub Total	881.29	804.37
Total Assets	1,972.70	1,973.52
B EQUITY AND LIABILITIES		
EQUITY		
a) Equity Share Capital	150.25	150.25
b) Other Equity	1,364.56	1,265.53
Total Equity	1,514.81	1,415.78
LIABILITIES		
1 NON-CURRENT LIABILITIES		
a) Financial Liabilities		
i) Lease Liabilities	5.69	2.91
b) Provisions	6.74	6.50
c) Deferred Tax Liabilities (Net)	48.13	43.52
Sub Total	60.56	52.93
2 CURRENT LIABILITIES		
a) Financial Liabilities		
i) Borrowings	74.65	201.75
ia) Lease Liabilities	1.67	0.70
ii) Trade Payables		
- Dues of Micro & Small Enterprises	14.19	18.49
- Others	193.26	194.40
iii) Other financial Liabilities	40.71	30.05
b) Other Current Liabilities	47.83	36.38
c) Provisions	2.17	9.74
d) Current Tax Liabilities (Net)	22.85	13.30
Sub Total	397.33	504.81
TOTAL EQUITY AND LIABILITIES	1,972.70	1,973.52



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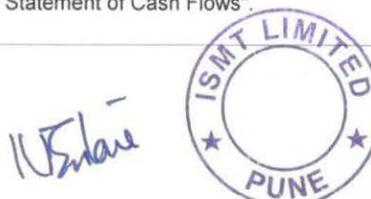


CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

Rs. in Crore

	2022-23 Audited	2021-22 Audited
i) CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit / (Loss) Before Tax	157.31	2,500.05
Adjustments for :		
Depreciation	55.28	59.93
Finance Costs	21.24	12.69
Interest Income	(3.64)	(4.36)
Excess Provision written back	(1.62)	(12.42)
Exceptional Items (net) (Refer Note No. 6)	7.77	(2,494.10)
Claim receivable written off	-	11.07
Unrealised Exchange (Gain) / Loss	(1.21)	0.52
Loss Allowance on Trade Receivables	23.72	1.33
Loss/ (Profit) on Sale of assets (net) and asset discarded	(6.45)	-
Provision for doubtful advances	0.24	0.54
Operating Cash Profit before Working Capital Changes	95.33	(2,424.80)
Operating Cash Profit before Working Capital Changes	252.64	75.25
Adjustments for working capital changes:		
(Increase) / Decrease in trade receivable	(46.92)	(21.11)
(Increase) / Decrease in Inventories	(45.86)	(72.86)
(Increase) / Decrease in non current financial assets others	(0.74)	9.42
(Increase) / Decrease in other non current assets	0.37	1.10
(Increase) / Decrease in current loans	(0.18)	(0.59)
(Increase) / Decrease in other current financial assets	(1.78)	9.83
(Increase) / Decrease in other current assets	(28.07)	24.52
Increase / (Decrease) in trade payables	(3.69)	70.32
Increase / (Decrease) in other current financial liabilities	8.51	(7.31)
Increase / (Decrease) in other current liabilities	11.46	13.70
Increase / (Decrease) in current provisions	(4.26)	7.00
Increase / (Decrease) in non current provisions	0.24	(9.08)
Taxes (Paid) / Refund	(47.42)	(0.47)
Net Cash flow from Operating Activities	94.30	99.72
ii) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Property, Plant and Equipment	(35.33)	(10.54)
Sales of Property, Plant and Equipment	65.33	-
Other Bank balance not considered as cash and cash equivalent	0.69	5.51
Interest received	3.96	4.41
Investments	(0.26)	(0.47)
Net Cash used in Investing Activities	34.39	(1.09)
iii) CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from / (Repayment of) Borrowings	(127.10)	(543.70)
Payment of Lease Liability	(2.33)	(2.72)
Finance Costs	(21.29)	(11.45)
Receipt from issue of Preferential Equity Shares	-	476.63
Net Cash from Financing Activities	(150.72)	(81.24)
Net Increase / (Decrease) in Cash and Cash Equivalents	(22.03)	17.39
Cash and Cash Equivalents at the beginning of the year	47.70	30.31
Cash and Cash Equivalents at the end of the year	25.67	47.70
Net Increase / (Decrease) in Cash and Cash Equivalents	(22.03)	17.39

Note: The cash flow statement is prepared using the "indirect method" set out in Ind AS 7 - "Statement of Cash Flows".



ISMT Limited

NOTES ON STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH 2023..

- The Company and through its Subsidiary Company, ISMT Enterprises S.A., Luxembourg has invested Rs. 48.43 Crores in Structo Hydraulics AB, Sweden (SHAB). The Company has received approval from regulatory authorities for conversion into equity of an amount of Rs. 33.33 Crores (USD 5 Million) due from SHAB, out of which Rs. 16.75 Crores has been converted into equity. Considering the challenging emerging global situation and notwithstanding that the business is considered strategic and long term and pending the assessment of the same, based on the valuation report of the Independent Valuer, the Company has conservatively made additional provision for impairment of Rs. 7.51 Crores in the current financial year (total impairment provision of Rs. 60.68 Crores) as per Ind AS 36 "Impairment of Assets" and disclosed the same as an exceptional item.

2. Exceptional Items:

Rs. In Crores

Particulars	Quarter ended Mar 31, 2023	Quarter ended Dec 31, 2022	Quarter ended Mar 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
i) Write back of outstanding principal debt and unpaid interest	-	-	-2775.96	-	-2775.96
ii) Government Dues Receivable Written off	-	-	39.53	-	39.53
iii) Provision for Impairment in value of Captive Power Plant	-	-	163.92	-	163.92
iv) Provision for Impairment in the value of Investment in Subsidiaries	7.54	0.10	78.41	7.77	78.41
Total	7.54	0.10	-2,494.10	7.77	-2,494.10

- The Board of Directors and the Shareholders of the Company had approved remuneration to Erstwhile Managing Director for the period December 2016 to March 10, 2022 the date he ceased to be Managing Director. The same however could not be paid pending lenders approval and the lenders dues have since been paid as a result of One Time Settlement. Accordingly, remuneration payable to Erstwhile Managing Director is Rs. 9.24 Crores cumulative up to March 31, 2022 (including Rs. 5.04 Crores refunded to the Company and disclosed as contingent liability). The Company is seeking to discharge the above obligation based on suitable legal opinion and requisite approvals, if any.
- The Company has not been able to operate its 40 MW Captive Power Plant (CPP) on account of non-availability of energy banking facility by MSEDCL. Accordingly, CPP was classified as Assets held for sale and on December 9, 2022 the Company has entered into a Business Transfer Agreement with a buyer for sale of CPP on a slump sale basis. Company had sold the CPP plant under slump sale on 28th Feb 2023.
- The above statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of The Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- The figures of the quarter ended March 31, 2023 and March 31, 2022 are balancing figures between audited figures in respect of full financial year and published year to date figures upto third quarter of the relevant financial year.



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7. The comparative figures have been regrouped and reclassified to meet the current quarter's / years classification.
8. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on May 3rd, 2023 .

Place: Pune
Date: May 03, 2023

For ISMT Limited


Nishikant Ektare
Managing Director
DIN No. 02109633



Independent Auditor's Report on the Quarterly and Annual Audited Consolidated Financial Results of the Company and its Subsidiaries Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
ISMT Limited

Report on the Audit of the Consolidated Financial Results

Opinion

We have audited the accompanying Consolidated quarterly and annual financial results of ISMT Limited (the "Company") and its Subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the quarter and year ended March 31, 2023 ("Consolidated financial results"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, these Consolidated financial results:

- i. include the quarterly and annual share of the profit of its Subsidiary Companies, consolidated using line by line consolidation method. Refer *Annexure A* for the list of subsidiaries included in the accompanying statement.
- ii. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- iii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company and its Subsidiaries for the quarter and year ended March 31, 2023.



P G BHAGWAT LLP

Chartered Accountants

LLPIN: AAT - 9949

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Company and its Subsidiaries in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Consolidated Financial Results

These quarterly and annual financial results have been prepared on the basis of the Consolidated financial statements.

The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rule 2015 (as amended) under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group, are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.



Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company and its Subsidiaries' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its Subsidiaries to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial results, including the disclosures, and whether the Consolidated financial results



P G BHAGWAT LLP

Chartered Accountants

LLPIN: AAT - 9949

represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of the entities within the Group to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors.

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Emphasis of Matters

We draw attention to:

- i. Note No 1 of the Statement, regarding impairment provision of carrying value of Goodwill on consolidation of Rs. 6.43 Crores recognised at the time of investment made by parent company in Tridem Port and Power Company Private Limited (TPPCPL) and Indian Seamless Inc., USA.
- ii. Note No. 2 of the Statement, that the company is in the process of discharging the obligation regarding remuneration payable to Erstwhile Managing Director of the Company amounting to Rs 4.20 Crore cumulative up to March 31, 2022 based on legal opinion and requisite approvals.

Other Matters

- i. The consolidated Financial Results include the audited Financial Results of nine subsidiaries, whose standalone financial statements reflect total assets of Rs. 146.92 Crores as at March 31, 2023, total revenue of Rs. 7.20 Crores and Rs. 36.58 Crores and total net loss after tax of Rs. 2.78 Crores and Rs. 10.99 Crores for the quarter and year ended on March 31, 2023 respectively and cash inflow/(outflow) of Rs. (3.10) crores for the year ended as on that date, as considered in the consolidated Financial Results, which have been audited by its independent auditor. Above figures are before giving effect of any consolidation adjustment. The independent auditors' reports on separate financial statements of these entities have been furnished to us



P G BHAGWAT LLP

Chartered Accountants
LLPIN: AAT - 9949

by the management and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is solely based on the reports of such auditors and the procedures performed by us are as stated in the paragraph above.

Our opinion on the consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of such auditors.

- ii. The consolidated Financial Results include the unaudited Financial Results of one subsidiary, whose interim financial statements reflect total assets of Rs. 0.01 Crore as at March 31, 2023, nil revenue and insignificant net loss after tax of Rs. 0.00 Crore (INR 2,786) for the year ended March 31, 2023, as considered in the consolidated Financial Results. Above figures are before giving effect of any consolidation adjustment. These unaudited financial statements have been furnished to us by the Management and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of the subsidiary is solely based on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.
- iii. The consolidated financial results of the company for the quarter and year ended March 31, 2022 were audited by the predecessor auditors, D N V & Co., Chartered Accountants who expressed an unmodified opinion on those standalone financial results vide their audit report dated May 9, 2022.
- iv. The quarterly Consolidated financial results for the period ended March 31, 2023 are the derived figures between the audited figures in respect of the year ended March 31, 2023 and the published year-to-date figures up to December 31, 2022, being the date of the end of the third quarter of the current financial year, which were subjected to limited review as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Our audit opinion is not modified in respect of these matters.

For **P G BHAGWAT LLP**

Chartered Accountants

Firm Registration Number- 101118W/W100682



Nachiket Deo

Partner

Membership Number: 117695

UDIN: 23117695BQXKOT1544

Place: Pune

Date: May 3, 2023



P G BHAGWAT LLP

Chartered Accountants
LLPIN: AAT - 9949

Annexure A - List of Subsidiaries included in the accompanying statement

Name of Subsidiary
ISMT Enterprises SA, Luxembourg
Tridem Port and Power Company Private Limited ("TPPCPL")
Indian Seamless Inc, USA.
Structo Hydraulics AB, Sweden ("SHAB")
ISMT Europe AB, Sweden (100% subsidiary of SHAB)
Nagapattinam Energy Private Limited (100% subsidiary of TPPCPL)
Best Exim Private Limited (100% subsidiary of NEPL)
Success Power and Infraprojects Private Limited (100% subsidiary of NEPL)
Marshal Microware Infrastructure Development Company Private Limited (100% subsidiary of NEPL)
PT ISMT Resources, Indonesia (100% subsidiary of TPPCPL)



ISMT Limited

Regd. Office : Panama House (earlier known as Lunkad Towers) , Viman Nagar, Pune 411 014, Maharashtra.

Phone : 020-41434100, Fax : 020-26630779, E-Mail : secretarial@ismt.co.in,

Web : www.ismt.com, CIN : L27109PN1999PLC016417

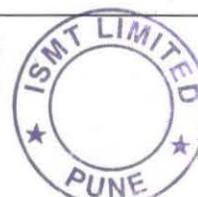
STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31 ,2023

Rs. in Crore

Sr. No	Particulars	Consolidated				
		Quarter ended			Year ended	
		March 31, 2023	Dec. 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
		Refer Note- 5	Unaudited	Refer Note- 5	Audited	Audited
1	Income					
	Revenue from Operations					
	Sales of Products	948.98	880.31	964.86	3,895.33	3,288.25
	Less : Inter Segment Transfers	281.15	265.49	341.11	1,230.51	1,003.79
	Inter Division Transfers	25.03	22.54	32.01	95.97	89.64
	Sale to Subsidiary Company	1.72	0.76	18.82	16.66	63.70
	(a) Net Sales	641.08	591.52	572.92	2,552.19	2,131.12
	(b) Other Operating Revenue	9.32	6.62	7.59	28.02	29.48
	(c) Revenue From Operations - (a+b)	650.40	598.14	580.51	2,580.21	2,160.60
	(d) Other Income	8.34	3.81	9.27	17.97	21.43
	Total Income - (c+d)	658.74	601.95	589.78	2,598.18	2,182.03
2	Expenses					
	(a) Cost of Materials Consumed	341.95	330.31	310.74	1,390.54	1,279.83
	(b) Changes in inventories of finished goods, work -in -progress and stock-in-trade	(13.54)	(26.80)	22.56	(7.46)	(45.36)
	(c) Employee Benefits Expense	41.75	44.80	47.27	167.62	169.21
	(d) Finance Costs	2.47	4.91	(190.44)	21.68	13.21
	(e) Depreciation	17.65	13.74	15.57	58.58	62.43
	(f) Other Expenses	216.84	192.16	206.43	812.20	697.18
	Total Expenses	607.12	559.12	412.13	2,443.16	2,176.50
3	Profit / (Loss) before Exceptional Items and tax (1-2)	51.62	42.83	177.65	155.02	5.53
4	Exceptional items (Refer Note No. 1)	6.43	-	(2,511.38)	6.43	(2,511.38)
5	Profit / (Loss) before tax (3- 4)	45.19	42.83	2,689.03	148.59	2,516.91
6	Tax Expenses :					
	(a) Current Tax	33.70	13.74	17.22	65.80	17.22
	(b) Deferred Tax	3.01	0.14	43.52	3.78	43.52
	(c) Earlier Years Tax	0.09	-	0.02	(8.73)	0.04
	(d) MAT Credit written off	-	-	82.05	-	82.05
7	Profit / (Loss) after tax (5- 6)	8.39	28.95	2,546.22	87.74	2,374.08
8	Other Comprehensive Income (net of tax)					
	(a) Items that will not be reclassified to Profit or Loss					
	Gain/ (Loss) on Remeasurement of Defined Benefit Plan	2.53	0.26	(3.03)	3.31	(7.83)
	Income Tax effect on above	(0.61)	(0.08)	1.97	(0.83)	1.97
	Gain/ (Loss) on Remeasurement of Defined Benefit Plan (net of tax)	1.92	0.18	(1.06)	2.48	(5.86)
	(b) Items that will be reclassified to Profit or Loss					
	Foreign Currency Translation Reserve	(1.47)	3.27	(0.14)	1.19	(0.35)
	Other Comprehensive Income (Net of tax) (a+b)	0.45	3.45	(1.20)	3.67	(6.21)
9	Total Comprehensive Income for the period (7+8)	8.84	32.40	2,545.02	91.41	2,367.87
	Profit / (Loss) attributable to :					
	Equity Shareholders of Parent	8.38	28.95	2,546.35	87.73	2,374.21
	Non Controlling Interest	0.01	0.00	(0.13)	0.01	(0.13)
	Other Comprehensive Income attributable to :					
	Equity Shareholders of Parent	0.45	3.45	(1.20)	3.67	(6.21)
	Non Controlling Interest	-	0.00	-	0.00	-
	Total Comprehensive Income attributable to :					
	Equity Shareholders of Parent	8.83	32.40	2,545.15	91.40	2,368.00
	Non Controlling Interest	0.01	0.00	(0.13)	0.01	(0.13)
10	Paid-up Equity Share Capital (Face Value of Rs. 5/- per share)	150.25	150.25	150.25	150.25	150.25
11	Other Equity (Excluding Revaluation Reserve)				1,141.32	1,046.08
12	Earnings per share					
	Basic & Diluted Earnings per share of Rs.5/- each (Rs.) (not annualised)	0.28	0.96	163.45	2.92	152.40



N. S. K.



**SEGMENT WISE CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED
MARCH 31, 2023.**

Sr No	Particulars	Consolidated				
		1	2	3	4	5
		Quarter ended March 31, 2023	Quarter ended December 31, 2022	Quarter ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
	Refer Note-5	Unaudited	Refer Note-5	Audited	Audited	
1 Segment Revenue						
a) Gross Sales – Tube		553.93	486.95	522.93	2,108.75	1,663.92
Less : Inter Division		25.03	22.54	32.01	95.97	89.64
: Sale to Subsidiary Company		1.72	0.76	18.82	16.66	63.70
Sub total		527.18	463.65	472.10	1,996.12	1,510.58
b) Gross Sales – Steel		395.05	393.36	441.93	1,786.58	1,624.33
Less : Inter Segment		281.15	265.49	341.11	1,230.51	1,003.79
Sub total		113.90	127.87	100.82	556.07	620.54
Total Segment Revenue		641.08	591.52	572.92	2,552.19	2,131.12
2 Segment Results						
Profit / (Loss) after Depreciation and Before Finance Costs & Exceptional items, Unallocable income (net) and Tax.						
a) Tube		40.50	47.21	1.41	145.07	7.36
b) Steel *		9.76	0.98	5.35	30.39	40.90
Total		50.26	48.19	6.76	175.46	48.26
Less : Finance Costs		2.47	4.91	(190.44)	21.68	13.21
Less : Exceptional items (Refer Note No. 1)		6.43	-	(2,511.38)	6.43	(2,511.38)
Add : Unallocable Income (Net of Unallocable Expenses)		3.83	(0.45)	(19.55)	1.24	(29.52)
Total Profit / (Loss) Before Tax		45.19	42.83	2,689.03	148.59	2,516.91
Less : Tax Expenses						
Current Tax		33.70	13.74	17.22	65.80	17.22
Deferred Tax		3.01	0.14	43.52	3.78	43.52
Earlier Years Tax		0.09	-	0.02	(8.73)	0.04
MAT Credit written off		-	-	82.05	-	82.05
Total Profit / (Loss) After Tax		8.39	28.95	2,546.22	87.74	2,374.08
3 Capital Employed						
Segment Assets						
a) Tube		1,422.21	1,407.26	1,427.31	1,422.21	1,427.31
b) Steel		471.91	493.24	386.41	471.91	386.41
c) Unallocable		47.62	208.48	140.94	47.62	140.94
Total Assets		1,941.74	2,108.98	1,954.66	1,941.74	1,954.66
Segment Liabilities						
a) Tube		181.03	187.21	129.68	181.03	129.68
b) Steel		122.45	263.82	166.25	122.45	166.25
c) Unallocable		160.29	188.85	272.16	160.29	272.16
Total Liabilities		463.77	639.88	568.09	463.77	568.09

* Includes profit on steel captively consumed by Tube Segment



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CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

Rs. In Crore

Particulars	Consolidated	
	As at March 31, 2023	As at March 31, 2022
	Audited	Audited
A ASSETS		
1 Non - Current Assets		
a) Property, Plant and Equipment	1,018.73	1,120.03
b) Capital Work-in-Progress	19.08	3.57
c) Goodwill on Consolidation	-	6.43
d) Financial Assets		
i) Trade Receivables	-	-
ii) Other Financial Assets	19.30	18.74
e) Deferred Tax Assets (Net)	-	-
f) Other Non Current Assets	13.97	2.87
Sub Total	1,071.08	1,151.64
2 Current Assets		
a) Inventories	476.92	435.05
b) Financial Assets		
i) Trade Receivables	308.33	286.09
ii) Cash and Cash Equivalents	27.30	52.43
iii) Bank Balance Other than (ii) above	1.48	2.18
iv) Loans	1.18	1.00
v) Other Financial Assets	8.56	7.22
c) Current Tax Assets (Net)	-	-
d) Other Current Assets	46.89	19.05
Sub Total	870.66	803.02
Total Assets	1,941.74	1,954.66
B EQUITY AND LIABILITIES		
EQUITY		
a) Equity Share Capital	150.25	150.25
b) Other Equity	1,327.61	1,236.21
Equity attributable to Parent	1,477.86	1,386.46
Non Controlling Interest	0.11	0.11
Total Equity	1,477.97	1,386.57
LIABILITIES		
1 NON-CURRENT LIABILITIES		
a) Financial Liabilities		
i) Borrowings	-	-
ia) Lease Liabilities	5.69	2.91
b) Provisions	7.45	7.57
c) Deferred Tax Liabilities (Net)	48.13	43.52
Sub Total	61.27	54.00
2 CURRENT LIABILITIES		
a) Financial Liabilities		
i) Borrowings	76.89	205.76
ia) Lease Liabilities	1.67	0.70
ii) Trade Payables		
- Dues of Micro & Small Enterprises	14.19	18.49
- Dues of Creditors other than Micro & Small Enterprises	192.93	195.94
iii) Other financial Liabilities	43.03	32.25
b) Other Current Liabilities	49.00	38.24
c) Provisions	2.17	9.78
d) Current Tax Liabilities (Net)	22.62	12.93
Sub Total	402.50	514.09
TOTAL EQUITY AND LIABILITIES	1,941.74	1,954.66



	2022-23	2021-22
i) CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit / (Loss) Before Tax	148.59	2,516.91
Adjustments for :		
Depreciation	58.58	62.43
Finance Costs	21.68	13.21
Interest Income	(3.84)	(4.36)
Excess Provision written back	(1.62)	(12.52)
Claim Receivable written off	-	11.07
Exceptional Items (Refer Note No.1)	-	(2,511.38)
Unrealised Exchange (Gain) / Loss / Foreign Currency Translation Reserve	0.59	1.18
Loss Allowance on trade receivables	23.68	1.87
Provision for doubtful advances	0.25	-
Impairment of Goodwill	6.43	-
Loss / (Profit) on sale of asset (Net) and Asset discarded	(6.45)	
	99.30	(2,438.50)
Operating Cash Profit before Working Capital Changes	247.89	78.41
Adjustments for :		
(Increase) / Decrease in trade receivable	(44.85)	(14.72)
(Increase) / Decrease in Inventories	(41.86)	(77.65)
Decrease / (Increase) in non current financial assets others	(0.10)	9.21
(Increase) / Decrease in other non current assets	(0.27)	1.12
(Increase) / Decrease in current loans	(0.18)	(0.04)
(Increase) / Decrease in other current financial assets	(7.51)	9.27
(Increase) / Decrease in other current assets	(22.20)	25.34
Increase / (Decrease) in trade payables	7.58	69.48
Increase / (Decrease) in other current financial liabilities	(4.92)	(6.71)
Increase / (Decrease) in other current liabilities	10.23	12.84
Increase / (Decrease) in current provisions	(4.30)	7.01
Increase / (Decrease) in non current provisions	(0.12)	(9.13)
Taxes (Paid) / Refund	(47.37)	
Net Cash flow from Operating Activities	92.02	104.10
ii) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Property, Plant and Equipment	(35.33)	(10.69)
Sale of Property, Plant and Equipment	65.33	0.13
Decrease / (Increase) in other bank balances	0.69	5.72
Interest Received	4.15	4.41
Net Cash used in Investing Activities	34.84	(0.43)
iii) CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from / (Repayment of) Borrowings	(128.87)	(545.34)
Payment of Lease Liabilities	(2.33)	(2.72)
Receipt from issue of Preferential Equity Shares	-	476.63
Finance Costs	(20.79)	(12.60)
Net Cash from Financing Activities	(151.99)	(84.03)
Net Increase / (Decrease) in Cash and Cash Equivalents	(25.13)	19.64
Cash and Cash Equivalents at the beginning of the year	52.43	32.79
Cash and Cash Equivalents at the end of the year	27.30	52.43
Net Increase / (Decrease) in Cash and Cash Equivalents	(25.13)	19.64

Note: The consolidated cash flow statement is prepared using the "indirect method" set out in Ind AS 7 "Statement of Cash Flows".



N. J. Jai



ISMT Limited

NOTES ON CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023.

1. Exceptional Items:

The Parent Company is continuing its investments in subsidiaries viz. Tridem Port and Power Company Private Limited (TPPCPL) alongwith its subsidiaries and Indian Seamless Inc., USA and had recognized Goodwill on Consolidation of Rs 6.43 Crore on acquisition in the consolidated financial statements. TPPCPL is been incurring losses and its net worth is also eroded. The Parent Company has made provision for impairment on investment in TPPCPL on the basis of report of the independent valuer in standalone financial statement. Further, consequent upon the change in management, the parent company has initiated review of all the overseas subsidiaries including Indian Seamless Inc., USA. Eventually, considering the principles laid down in Ind AS 36, the group has impaired carrying value of Goodwill on consolidation in its consolidated Financial Statement for as at March 31, 2023.

Particulars	Rs. In Crores				
	Quarter ended March 31, 2023	Quarter ended Dec 31, 2022	Quarter ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
i) Provision for Impairment in the carrying value of Goodwill on Consolidation	6.43	-	31.24	6.43	31.24
ii) Write back of outstanding principal debt and unpaid interest	-	-	(2,775.96)	-	(2,775.96)
iii) Government Dues Receivable Written off	-	-	39.53	-	39.53
iv) Provision for Impairment in value of Captive Power Plant	-	-	163.92	-	163.92
v) Provision for Impairment in value of project of Tridem Port and Power Co. Pvt. Ltd and its Subsidiaries.	-	-	29.89	-	29.89
Total	6.43	-	(2,511.38)	6.43	(2,511.38)

2. The Board of Directors and the Shareholders of the Parent Company had approved remuneration to Erstwhile Managing Director for the period December 2016 to March 10, 2022, the date he ceased to be Managing Director. The same however could not be paid pending lenders approval and the lenders dues have since been paid as a result of One Time Settlement. Accordingly, remuneration payable to Erstwhile Managing Director is Rs. 9.24 Crores cumulative upto March 31, 2022 (including Rs. 5.04 Crores refunded to the Parent Company and disclosed as contingent liability). The Parent Company is seeking to discharge the above obligation based on suitable legal opinion and requisite approvals, if any.
3. The above statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of The Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.

The Consolidated financial results of the Company and its subsidiaries (the Group) have been prepared as per Ind AS 110 on "Consolidated Financial Statements".

4. The Parent Company has not been able to operate its 40 MW Captive Power Plant (CPP) on account of non-availability of energy banking facility by MSEDCL. Accordingly, the CPP was classified as Assets held for sale and on December 9, 2022 the Parent Company has entered into a Business Transfer Agreement with a buyer for sale on a slump sale basis. The Parent Company sold the CPP Plant under slump sale on February 28, 2023.



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5. The figures of the quarter ended March 31, 2023 and March 31, 2022 are balancing figures between audited figures in respect of full financial year and published year to date figures upto third quarter of the relevant financial year.
6. The comparative figures have been regrouped and reclassified to meet the current quarter's / years classification.
7. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on May 3rd, 2023 .

Place: Pune
Date: May 03, 2023

For ISMT Limited


Nishikant Ektare
Managing Director
DIN No. 02109633



KIRLOSKAR FERROUS INDUSTRIES LIMITED						
A Kirloskar Group Company						
Registered Office : 13, Laxmanrao Kirloskar Road, Khadki, Pune 411003, Maharashtra, India						
Telephone No : +91 (20) 66084645 Fax No : +91 (20) 25813208 Email : kfilinvestor@kirloskar.com Website : www.kirloskarferrous.com						
CIN : L27101PN1991PLC063223						
Statement of Audited Financial Results for the quarter and year ended 31 March 2023						
(Figures are ₹ in Crores unless stated otherwise)						
Sr No	Particulars	Standalone				
		Quarter ended		Year ended		
		31/03/2023	31/12/2022	31/03/2022	31/03/2022	
		Audited	Unaudited	Audited	Audited	
1	Revenue from Operations	990.98	1,075.09	900.56	4,149.42	3,614.97
2	Other Income	3.26	3.27	9.07	42.38	11.29
3	Total Income (1+2)	994.24	1,078.36	909.63	4,191.80	3,626.26
4	Expenses					
	(a) Cost of Materials consumed	611.20	664.14	562.75	2,639.50	2,225.49
	(b) Purchase of stock-in-trade	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(16.97)	(6.54)	11.11	(12.43)	(29.71)
	(d) Employee benefits expense	47.18	36.12	37.57	152.05	133.39
	(e) Finance costs	23.24	22.03	12.19	84.76	27.86
	(f) Depreciation and amortisation expense	27.81	26.45	23.38	103.96	87.86
	(g) Other expenses	191.57	197.62	177.11	751.93	638.68
	Total Expenses	884.03	939.82	824.11	3,719.77	3,083.57
5	Profit before exceptional items and tax (3-4)	110.21	138.54	85.52	472.03	542.69
6	Exceptional Items	-	-	-	-	-
7	Profit before tax (5-6)	110.21	138.54	85.52	472.03	542.69
8	Tax expense					
	(a) Current tax	14.92	34.11	18.77	103.74	129.08
	(b) Deferred tax	11.09	2.04	2.25	15.85	8.27
	(c) Short / (Excess) provision of earlier years	2.35	(0.61)	(0.76)	1.74	(0.76)
	Total Tax expense	28.36	35.54	20.26	121.33	136.59
9	Profit for the period (7-8)	81.85	103.00	65.26	350.70	406.10
10	Other Comprehensive Income					
	A) (i) Items that will not be reclassified to profit or loss	(3.78)	(0.16)	4.22	(3.56)	4.44
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.88	0.03	(1.09)	0.82	(1.03)
	B) (i) Items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	Total Other Comprehensive Income	(2.90)	(0.13)	3.13	(2.74)	3.41
11	Total Comprehensive Income [comprising Profit (after tax) and Other Comprehensive Income (after tax) for the period] (9+10)	78.95	102.87	68.39	347.96	409.51
12	Paid-up equity share capital (Face value of ₹ 5 each)	69.48	69.44	69.36	69.48	69.36
13	Paid-up Debt Capital	250.00	250.00	250.00	250.00	250.00
14	Reserves excluding Revaluation Reserves as per balancesheet of previous accounting year	1,548.87	1,501.44	1,266.71	1,548.87	1,266.71
15	Debenture Redemption Reserve	NA	NA	NA	NA	NA
16	Earnings Per Share (in ₹) (not annualised)					
	(a) Basic	5.89	7.42	4.70	25.26	29.32
	(b) Diluted	5.84	7.37	4.69	25.12	29.23
Notes :						
1 The Company operates only in one segment, namely Iron Castings						
2 This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 ('IND-AS') prescribed under Section 133 of the Companies Act, 2013 and applicable recognised accounting practices and policies.						
3 The financial figures of last quarter ended 31 March 2023 are the balancing figures between the audited financial figures in respect of the financial year ended 31 March 2023 and the published year to date figures upto 31 December 2022, which were subject to the Limited Review.						
4 The above results have been reviewed and recommended by the Audit Committee at its meeting held on 11 May 2023 and approved by the Board of Directors at its meeting held on 12 May 2023.						
5 Consequent to allotment of 85,521 Equity Shares of ₹ 5 each fully paid pursuant to 'KFIL Employee Stock Option Scheme 2017' during the quarter, the Issued, Subscribed and Paid-up equity share capital of the Company has increased to ₹ 694,791,075 comprising of 138,958,215 equity shares of ₹ 5 each.						
6 The Board of Directors at its meeting held on 7 February 2023 had declared the Interim Dividend of ₹ 2.50 per equity share of ₹ 5 each (i.e. 50 percent) for the financial year 2022-2023. Interim Dividend has been paid eligible members on 3 March 2023. The Board of Directors at its meeting held on 12 May 2023 has recommended a Final Dividend of ₹ 3 per equity share of ₹ 5 each (i.e. 60 percent) for the financial year 2022-2023 for approval of members at the ensuing Annual General Meeting						
7 Pursuant to the Circular No. SEBI/HO/DDHS/CIR/P/2018/144 dated 26 November 2018 with respect to "Fund raising by issuance of Debt Securities by Large Entities", the Company has been identified as a Large Corporate as of 31 March 2023						
8 The comparative figures have been regrouped and reclassified to meet the current quarter's / year's classification.						



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KIRLOSKAR FERROUS INDUSTRIES LIMITED

A Kirloskar Group Company

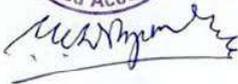
Registered Office : 13, Laxmanrao Kirloskar Road, Khadki, Pune 411003, Maharashtra, India**Telephone No :** +91 (20) 66084645 **Fax No :** +91 (20) 25813208 **Email :** kfiinvestor@kirloskar.com **Website :** www.kirloskarferrous.com**CIN :** L27101PN1991PLC063223

9) Additional information pursuant to requirement of Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended :

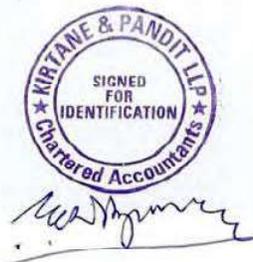
	Standalone				
	Quarter ended		Year ended		
	31/03/2023	31/12/2022	31/03/2022	31/03/2023	31/03/2022
	Audited	Unaudited	Audited	Audited	Audited
Debt-Equity Ratio (Debt/Equity) [Debt: long term borrowings + Short term borrowings] [Equity :Total Equity]	0.55	0.53	0.89	0.55	0.89
Debt Service Coverage Ratio - Annualised [Earning available for debt services / Interest + Instalment] [Earning available for debt services:net profit before tax+ non cash expenses (Depreciation and Amortisation) + Interest expense on borrowings] [Interest + Instalment : Interest expenses on borrowings and current maturities]	1.76	4.04	4.13	1.84	6.83
Interest Service Coverage Ratio - Annualised [EBIT / Finance Charges]	5.74	7.29	8.02	6.57	20.48
Net Worth (₹ in Crores) [Equity share capital + securities premium + reserves created out of profit]	1,606.47	1,558.83	1,330.10	1,606.47	1,330.10
Current Ratio (Current Assets / Current Liabilities)	0.84	0.89	0.94	0.84	0.94
Long term debt to working capital [Non current borrowings + current maturities of long term borrowing] / [Total current assets- (Current liabilities- Current Maturities of Long term borrowing)]	18.90	*	*	18.90	*
Bad debts to Accounts receivable ratio [Bad debts] / [Average trade receivables]	-	-	-	-	-
Current liability ratio [Total current liabilities] / [Total liabilities]	0.76	0.72	0.76	0.76	0.76
Total debts to total assets [Non current borrowings+ current borrowings] / [Total assets]	0.25	0.24	0.33	0.25	0.33
Debtors turnover	7.36	9.43	8.05	7.70	7.67
Inventory turnover	4.14	4.92	5.50	4.57	5.26
Operating margin (%) [EBITDA] / [Turnover]	15.94%	17.09%	12.44%	14.90%	17.90%
Net profit margin (%) [Profit / (loss) after tax / Total Income]	8.26%	9.58%	7.25%	8.45%	11.23%

* Working capital is negative

For Kirloskar Ferrous Industries Limited


R. V. Gumaste
Managing Director (DIN : 00082829)Place : Pune
Date : 12 May 2023



KIRLOSKAR FERROUS INDUSTRIES LIMITED						
A Kirloskar Group Company						
Registered Office : 13, Laxmanrao Kirloskar Road, Khadki, Pune 411003, Maharashtra, India						
Telephone No : +91 (20) 66084645 Fax No : +91 (20) 25813208 Email : kfilinvestor@kirloskar.com Website : www.kirloskarferrous.com						
CIN : L27101PN1991PLC063223						
Statement of Audited Financial Results for the quarter and year ended 31 March 2023						
(Figures are ₹ in Crores unless stated otherwise)						
Sr No	Particulars	Consolidated				
		Quarter ended			Year ended	
		31/03/2023	31/12/2022	31/03/2022	31/03/2023	31/03/2022
		Audited	Unaudited	Audited	Audited	Audited
1	Revenue from Operations	1,565.56	1,600.52	1,033.88	6,417.45	3,748.29
2	Other Income	11.60	4.81	9.70	49.33	11.92
3	Total Income (1+2)	1,577.16	1,605.33	1,043.58	6,466.78	3,760.21
4	Expenses					
	(a) Cost of Materials consumed	877.70	921.93	633.49	3,717.86	2,296.23
	(b) Purchase of stock-in-trade	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(30.50)	(33.34)	11.30	(19.89)	(29.52)
	(d) Employee benefits expense	88.94	80.92	43.68	319.68	139.50
	(e) Finance costs	25.70	24.73	13.91	95.47	29.58
	(f) Depreciation and amortisation expense	47.92	42.92	27.56	172.58	92.04
	(g) Other expenses	408.39	389.78	237.62	1,564.09	699.19
	Total Expenses	1,418.15	1,426.94	967.56	5,849.79	3,227.02
5	Profit before exceptional items and tax (3-4)	159.01	178.39	76.02	616.99	533.19
6	Exceptional Items	-	-	-	-	-
7	Profit before tax (5-6)	159.01	178.39	76.02	616.99	533.19
8	Tax expense					
	(a) Current tax	48.62	47.85	35.99	169.54	146.30
	(b) Deferred tax	13.39	1.44	81.82	17.10	87.84
	(c) Short / (Excess) provision of earlier years	2.44	(0.60)	(0.67)	(6.98)	(0.67)
	Total Tax expense	64.45	48.69	117.14	179.66	233.47
9	Profit for the period (7-8)	94.56	129.70	(41.12)	437.33	299.72
10	Share of Profit / (Loss) of associates	NA	NA	NA	NA	NA
11	Other Comprehensive Income					
	A) (i) Items that will not be reclassified to profit or loss	(1.25)	0.10	490.55	(0.25)	490.77
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.26	(0.04)	0.88	(0.01)	0.94
	B) (i) Items that will be reclassified to profit or loss	(1.47)	3.27	(0.09)	1.19	(0.09)
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	Total Other Comprehensive Income	(2.46)	3.33	491.34	0.93	491.62
12	Total Comprehensive Income [comprising Profit (after tax) and Other Comprehensive Income (after tax) for the period] (9+10)	92.10	133.03	450.22	438.26	791.34
13	Profit / (Loss) attributable to :					
	Equity Shareholders of Parent	88.22	116.61	6.27	395.10	347.11
	Non Controlling Interest	6.34	13.09	(47.39)	42.23	(47.39)
14	Other Comprehensive Income attributable to :					
	Equity Shareholders of Parent	(2.67)	1.65	491.38	(0.85)	491.66
	Non Controlling Interest	0.21	1.68	(0.04)	1.78	(0.04)
15	Total Comprehensive Income attributable to :					
	Equity Shareholders of Parent	85.55	118.26	497.65	394.25	838.77
	Non Controlling Interest	6.55	14.77	(47.43)	44.01	(47.43)
16	Paid-up equity share capital (Face value of ₹ 5 each)	69.48	69.44	69.36	69.48	69.36
17	Paid-up Debt Capital	250.00	250.00	250.00	250.00	250.00
18	Reserves excluding Revaluation Reserves as per balancesheet of previous accounting year	2,024.40	1,970.88	1,695.97	2,024.40	1,695.97
19	Debtenture Redemption Reserve	NA	NA	NA	NA	NA
20	Earnings Per Share (in ₹) (not annualised)					
	(a) Basic	6.35	8.40	0.45	28.46	25.06
	(b) Diluted	6.30	8.35	0.45	28.31	24.99
Notes :						
1 This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 ('IND-AS') prescribed under Section 133 of the Companies Act, 2013 and applicable recognised accounting practices and policies.						
2 The financial figures of last quarter ended 31 March 2023 are the balancing figures between the audited financial figures in respect of the financial year ended 31 March 2023 and the published year to date figures upto 31 December 2022, which were subject to the Limited Review.						
3 The above results have been reviewed and recommended by the Audit Committee at its meeting held on 11 May 2023 and approved by the Board of Directors at its meeting held on 12 May 2023.						
4 The comparative figures have been regrouped and reclassified to meet the current quarter's / year's classification.						



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5 Additional information pursuant to requirement of Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended :

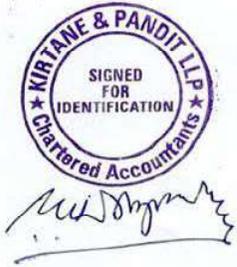
	Consolidated				
	Quarter ended			Year ended	
	31/03/2023	31/12/2022	31/03/2022	31/03/2023	31/03/2022
	Audited	Unaudited	Audited	Audited	Audited
Debt-Equity Ratio (Debt/Equity) [Debt: long term borrowings + Short term borrowings] [Equity : Total Equity]	0.32	0.29	0.46	0.32	0.46
Debt Service Coverage Ratio - Annualised [Earning available for debt services / Interest + Instalment] [Earning available for debt services: net profit before tax+ non cash expenses (Depreciation and Amortisation) + Interest expense on borrowings] [Interest + Instalment : Interest expenses on borrowings and current maturities]	2.47	5.03	3.78	2.39	6.67
Interest Service Coverage Ratio - Annualised [EBIT / Finance Charges]	7.19	8.21	6.47	7.46	19.03
Net Worth (₹ in Crores) [Equity share capital + securities premium + reserves created out of profit]	1,593.16	1,538.67	1,271.12	1,593.16	1,271.12
Current Ratio (Current Assets / Current Liabilities)	1.12	1.15	1.09	1.12	1.09
Long term debt to working capital [Non current borrowings + current maturities of long term borrowing] / [Total current assets- (Current liabilities- Current Maturities of Long term borrowing)]	1.29	1.41	1.99	1.29	1.99
Bad debts to Accounts receivable ratio [Bad debts] / [Average trade receivables]	-	-	-	-	-
Current liability ratio [Total current liabilities] / [Total liabilities]	0.76	0.74	0.76	0.76	0.76
Total debts to total assets [Non current borrowings+ current borrowings] / [Total assets]	0.18	0.15	0.23	0.18	0.23
Debtors turnover	7.70	8.22	6.85	7.89	6.20
Inventory turnover	3.27	3.54	4.04	3.57	3.55
Operating margin (%) [EBITDA] / [Turnover]	14.12%	15.07%	10.43%	13.02%	17.15%
Net profit margin (%) [Profit / (loss) after tax / Total Income]	6.04%	8.10%	-3.98%	6.81%	8.00%

For Kirloskar Ferrous Industries Limited



R. V. Gumaste
Managing Director (DIN : 00082829)

Place : Pune
Date : 12 May 2023



KIRLOSKAR FERROUS INDUSTRIES LIMITED

A Kirloskar Group Company

Registered Office : 13, Laxmanrao Kirloskar Road, Khadki, Pune 411003 (Maharashtra)

Tel No. : +91 20 66084645 Fax No.: +91 20 25813208 Email : kfilinvestor@kirloskar.com Website : www.kirloskarferrous.com

CIN : L27101PN1991PLC063223

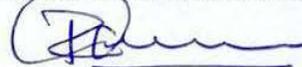
Consolidated Segment Information

(Figures are ₹ in Crores unless stated otherwise)

SI No	Particulars	Quarter ended			Year ended	
		31/03/2023	31/12/2022	31/03/2022	31/03/2023	31/03/2022
		Audited	Unaudited	Audited	Audited	Audited
i)	1. Segment Revenue					
	(a) Casting Segment	986.75	1,068.58	892.36	4,123.53	3,560.51
	(b) Tube segment	553.93	486.95	139.95	2,108.75	139.95
	(c) Steel Segment	395.05	393.36	108.22	1,786.58	108.22
	(d) Unallocated Total	13.55	13.14	10.47	53.17	56.73
	Less: Inter Segment Revenue (including inter division)	383.72	361.51	117.12	1,654.58	117.12
	Net sales/Income From Operations	1,565.56	1,600.52	1,033.88	6,417.45	3,748.29
ii)	2. Segment Results (Profit (+) / Loss (-) before tax and interest from Each segment) #					
	(a) Casting Segment	133.07	158.16	88.46	545.81	561.30
	(b) Tube segment	39.40	45.91	18.60	140.65	18.60
	(c) Steel Segment	8.37	-0.43	-10.00	24.76	-10.00
	(d) Unallocated Total	3.87	-0.52	-7.13	1.24	-7.13
	Total	184.71	203.12	89.93	712.46	562.77
	Less: Interest	25.70	24.73	13.91	95.47	29.58
	Total Profit Before Tax	159.01	178.39	76.02	616.99	533.19
iii)	3. Capital Employed (Segment assets – Segment Liabilities)					
	(a) Casting Segment	1,391.77	1,567.52	1,265.15	1,391.77	1,265.15
	(b) Tube segment	1,350.67	1,330.63	1,411.54	1,350.67	1,411.54
	(c) Steel Segment	671.04	552.90	534.21	671.04	534.21
	(d) Unallocated Total	-404.99	-503.28	-575.02	-404.99	-575.02
	Total	3,008.49	2,947.77	2,635.88	3,008.49	2,635.88
	4. Segment Assets					
	(a) Casting Segment	3,065.05	2,957.49	2,643.34	3,065.05	2,643.34
	(b) Tube segment	1,531.69	1,517.84	1,541.22	1,531.69	1,541.22
	(c) Steel Segment	768.20	789.27	696.07	768.20	696.07
	(d) Unallocated Total	116.57	259.12	433.72	116.57	433.72
	Total	5,481.51	5,523.72	5,314.35	5,481.51	5,314.35
	5. Segment Liabilities					
	(a) Casting Segment	1,673.28	1,389.97	1,378.19	1,673.28	1,378.19
	(b) Tube segment	181.02	187.21	129.68	181.02	129.68
	(c) Steel Segment	97.16	236.37	161.86	97.16	161.86
	(d) Unallocated Total	521.56	762.40	1,008.74	521.56	1,008.74
	Total	2,473.02	2,575.95	2,678.47	2,473.02	2,678.47

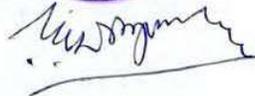
Segment Revenue & Segment Results of Tube and Steel segment for the quarter ended 31st Mar 2022 are not comparable, as KFIL gained Management control over ISMT on 10th March 2022 and only 21 days are considered for consolidation.

For Kirloskar Ferrous Industries Limited



Place : Pune
Date : 12 May 2023

R. V. Gumaste
Managing Director (DIN : 00082829)

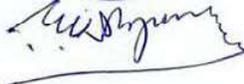




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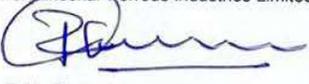
Cash Flow Statement

(Figures are ₹ in Crores unless stated otherwise)

Particulars	Standalone		Consolidated	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022
	Audited	Audited	Audited	Audited
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before tax	472.03	542.69	616.99	533.19
Add :				
Depreciation	103.96	87.86	172.58	92.03
(Profit) / Loss on sale of assets	0.08	(4.71)	(6.37)	(4.71)
Provision for doubtful debts	-	0.01	23.92	0.41
Unrealised Foreign exchange (Gain)/Loss	(1.64)	3.76	(1.64)	2.54
Employee share-based payment expense	9.40	1.67	9.40	1.67
Remeasurements of post-employment benefit obligations	(0.29)	0.69	(0.29)	0.69
Fair value changes in derivative financial instrument	1.41	(3.37)	1.41	(3.37)
Finance Costs	84.76	27.86	95.46	29.58
Provision on impairment and others	-	-	0.00	4.12
Foreign Currency Translation Reserves	-	-	0.63	-
Acquisition cost related to business combination	-	-	-	8.20
	197.68	113.77	295.10	131.16
	669.71	656.46	912.09	664.35
Less :				
Interest Income	(12.51)	(2.23)	(5.37)	(1.75)
Dividend Income	(1.12)	(0.44)	(1.12)	(0.44)
Provision no longer required written back	(1.05)	(2.94)	(2.67)	(3.86)
Sundry Credit balances appropriated	(0.01)	(0.14)	(0.01)	(0.14)
	(14.69)	(5.75)	(9.17)	(6.19)
Operating profit before working capital changes	655.02	650.71	902.92	658.16
Movements in working capital:				
Decrease / (Increase) in inventories	(48.38)	(266.04)	(86.27)	(251.42)
Decrease / (Increase) in trade receivables	(0.07)	(134.83)	(31.76)	(89.56)
Decrease / (Increase) in non-current loans	(0.03)	(0.07)	(0.03)	(0.07)
Decrease / (Increase) in other non-current assets	(0.25)	(0.73)	(0.52)	(1.08)
Decrease / (Increase) in current loans	193.57	(194.03)	(0.61)	0.76
Decrease / (Increase) in other current assets	(18.14)	(9.17)	(40.34)	(2.02)
Decrease / (Increase) in Bank Balance other than cash and cash equivalent	239.72	(239.72)	239.72	(239.72)
Decrease / (Increase) in other financial assets	1.96	-	(5.65)	(0.55)
Increase / (Decrease) in non-current provisions	0.49	(0.33)	0.49	(7.41)
Increase / (Decrease) in trade payables	(9.91)	489.32	(23.22)	421.97
Increase / (Decrease) in other current financial liabilities	3.58	2.86	(1.34)	(13.81)
Increase / (Decrease) in other current liabilities	3.52	(12.71)	13.71	(14.00)
Increase / (Decrease) in non current provisions	-	-	(0.12)	-
Increase / (Decrease) in current provisions	0.24	0.30	(4.06)	0.57
	366.30	(365.15)	60.00	(196.34)
Cash generated from Operations	1,021.32	285.56	962.92	461.82
Taxes paid	(117.83)	(117.22)	(165.19)	(116.81)
Net cash from Operating Activities (A)	903.49	168.34	797.73	345.01




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Email : kfiinvestor@kirloskar.com Website : www.kirloskarferrous.com				
CIN : L27101PN1991PLC063223				
Cash Flow Statement				
(Figures are ₹ in Crores unless stated otherwise)				
Particulars	Standalone		Consolidated	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022
	Audited	Audited	Audited	Audited
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of property, plant and equipment including CWIP and Capital Advances	(445.94)	(430.46)	(481.27)	(430.81)
Sale of Property, Plant and Equipment	-	-	65.33	0.13
Purchase of Investments	(0.02)	(484.83)	(0.02)	(484.83)
Proceeds from sale of property, plant and equipment	0.35	6.27	0.35	6.27
Investment in Other Financial Assets	(2.94)	(3.18)	(2.94)	(2.35)
Decrease / (Increase) in other bank balances	-	-	0.69	-
Interest Received	13.47	1.35	17.62	1.98
Profit on sale of mutual funds	1.12	0.44	1.12	0.44
Net Cash from Investing Activities (B)	(433.96)	(910.41)	(399.12)	(909.17)
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Interest paid	(83.49)	(23.90)	(104.28)	(23.90)
Other Borrowing Costs	(1.28)	(2.97)	(1.28)	(10.62)
Proceeds from long term borrowings (net)	128.68	308.83	128.68	308.83
Proceeds/(Repayment) from short term borrowings	(434.25)	548.78	(369.12)	(284.30)
Payment of lease liabilities	-	-	(2.33)	(0.17)
Issue of equity shares	1.34	1.84	1.34	1.84
Dividend Paid	(76.38)	(76.20)	(76.38)	(76.20)
Net Cash from Financing Activities (C)	(465.38)	756.38	(423.37)	(84.52)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	4.15	14.31	(24.75)	(648.68)
Cash and Cash Equivalents at the beginning of the period	24.38	10.07	80.58	10.07
Cash and Cash Equivalents acquired pursuant to business combination	-	-	-	719.19
Cash and Cash Equivalents at the end of the period	28.53	24.38	55.83	80.58
For Kirloskar Ferrous Industries Limited				
				
Place : Pune	R. V. Gumaste			
Date : 12 May 2023	Managing Director (DIN : 00082829)			

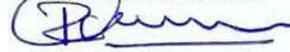


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Email : kfiinvestor@kirloskar.com Website : www.kirloskarferrous.com				
CIN : L27101PN1991PLCO63223				
Statement of Assets and Liabilities				
(Figures are ₹ in Crores unless stated otherwise)				
Particulars	Standalone		Consolidated	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022
	Audited	Audited	Audited	Audited
ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	1,601.11	1,158.72	3,063.83	2,732.79
(b) Capital work-in-progress	151.25	199.13	170.33	202.70
(c) Other Intangible assets	3.20	1.63	3.19	1.62
(d) Intangible assets under development	35.16	19.75	35.16	19.75
(e) Financial Assets				
(i) Investments	485.88	489.13	1.03	4.30
(ii) Loans	0.23	0.20	0.23	0.20
(iii) Other Financial Assets	16.58	13.64	35.88	32.38
(f) Other non-current assets	51.75	99.10	65.71	101.97
Total non current assets	2,345.16	1,981.30	3,375.36	3,095.71
(2) Current Assets				
(a) Inventories	598.80	550.42	1,078.49	992.21
(b) Financial Assets				
(i) Trade receivables	538.83	538.75	817.81	808.66
(ii) Cash and cash equivalents	28.53	24.38	55.83	80.58
(iii) Bank balances other than (ii) above	5.36	244.71	6.84	246.89
(iv) Loans	1.46	195.04	2.64	2.04
(v) Other Financial Assets	0.53	4.86	9.08	11.13
(c) Current Tax Assets (Net)	21.58	9.24	21.58	9.24
(d) Other Current Assets	66.97	48.84	113.88	67.89
Total current assets	1,262.06	1,616.24	2,106.15	2,218.64
Total Assets	3,607.22	3,597.54	5,481.51	5,314.35
(1) EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	69.48	69.36	69.48	69.36
(b) Other Equity	1,549.02	1,266.83	2,024.55	1,696.09
Non Controlling Interest	-	-	914.45	870.43
Total Equity	1,618.50	1,336.19	3,008.48	2,635.88
Liabilities				
(2) Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	369.79	446.98	369.79	446.98
(ii) Leased Liabilities	-	-	5.69	2.91
(b) Provisions	3.71	3.22	11.16	10.79
(c) Deferred Tax Liabilities (Net)	112.77	97.74	206.72	189.62
Total Non Current Liabilities	486.27	547.94	593.36	650.30
(3) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	517.22	745.60	594.09	757.36
(ii) Lease Liabilities	-	-	1.67	0.70
(iii) Trade payables				
- Total outstanding dues of micro enterprises and small enterprises	18.26	14.54	32.44	33.03
- Total outstanding dues of creditors other than micro enterprises and small enterprises	831.66	847.87	999.30	1,039.42
(iv) Other Financial Liabilities	103.98	77.82	147.10	109.13
(b) Other Current Liabilities	22.23	18.71	71.18	56.95
(c) Provisions	9.10	8.87	11.27	18.65
(d) Current Tax Liability	-	-	22.62	12.93
Total Current Liabilities	1,502.45	1,713.41	1,879.67	2,028.17
Total Liabilities	1,988.72	2,261.35	2,473.03	2,678.47
Total Equity and Liabilities	3,607.22	3,597.54	5,481.51	5,314.35

For Kirloskar Ferrous Industries Limited



Place : Pune
Date : 12 May 2023

R. V. Gumaste
Managing Director (DIN : 00082829)



Independent Auditor's Report on the Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
**The Board of Directors of
Kirloskar Ferrous Industries Limited**

Report on the audit of the Standalone Annual Financial Results

Opinion

We have audited the accompanying standalone annual financial results of **Kirloskar Ferrous Industries Limited** (the "Company") for the quarter and year ended March 31, 2023 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these Standalone Annual Financial Results:

- i. are presented in accordance with the requirements of Regulation 33 and 52 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian accounting standards under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the year ended 31st March, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Results' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Annual Standalone Financial Results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We

Kirtane & Pandit LLP
Chartered Accountants

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believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Standalone Annual Financial Results

These Standalone annual financial results have been prepared on the basis of the Standalone annual financial statements. The Company's Board of Directors are responsible for the preparation of these Standalone annual financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 & 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone annual financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial results.



As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial results, including the disclosures, and whether the annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Other Matter

The Standalone Annual Financial Results include the results for the quarter ended 31st March 2023 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No.105215W/W100057



Suhas Deshpande

Partner

Membership No.: 031787



UDIN: 23031787BG YQFV9730

Pune, May 12, 2023

KIRTANE & PANDIT LLP

Independent Auditor's Report on the Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**To
The Board of Directors of
Kirloskar Ferrous Industries Limited**

Report on the audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying Consolidated Annual Financial Results of **Kirloskar Ferrous Industries Limited** ("Holding Company") and its Subsidiaries (the Holding Company and its Subsidiaries together referred to as the "Group") for the quarter and year ended March 31, 2023 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the audited financial information / financial statements and other financial information of the subsidiaries, the Statement:

- i. includes the results of entities listed in Annexure 1;
- ii. are presented in accordance with the requirements of the Listing Regulations 33 and 52 in this regard; and
- iii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the quarter and year ended March 31, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group & its associate, in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants



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Chartered Accountants

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of India together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Consolidated Annual Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group including its associate in accordance with the applicable Indian accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associate for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that

includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3Xi) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidences regarding the financial results/financial information of the entities within the Group and its associates of which we are the independent auditors to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the Circular No. CIR/CFD1CMD1/44/2019 dated March 29,2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matter

- a. The accompanying Statement includes the audited financial results/statements and other financial information, in respect of 1 subsidiary (including 10 step-down subsidiaries), whose financial results/statements include total assets of Rs. 1,941.74 crores as at March 31, 2023, total income of Rs. 658.74 Crores and Rs. 2,598.18 crores, total net profit after tax of Rs. 8.39 crores and Rs. 87.74 crores, total comprehensive income of Rs. 8.84 crores and Rs. 91.41 crores, for the quarter and year ended on that date respectively, and net cash outflow of Rs. 25.13 crores for the year ended March 31, 2023, as considered in the Statement which have been audited by their respective independent auditors. All above figures are before consolidation adjustments.

The independent auditor's report on the financial results/statements and other financial information of these entities have been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the report of such auditor and the procedures performed by us as stated above.

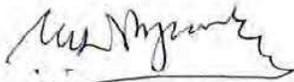


- b. The Statement includes the results for the quarter ended March 31, 2023 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2023 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.
- c. Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Results/financial information certified by the Management.

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No.105215W/W100057

**Suhas Deshpande**

Partner

Membership No.: 031787



UDIN: 23031787BG4QFV1368

Pune, May 12, 2023

Annexure 1 - List of entities included in the Consolidated Annual Financial Results

1. Kirloskar Ferrous Industries Limited
2. ISMT Limited and its subsidiaries, viz: (from March 10, 2022)
 - a. SMT Enterprises S.A Luxembourg
 - b. Indian Seamless Inc. USA.
 - c. Structo Hydraulics AB Sweden
 - d. Tridem Port and Power Company Private Limited.,
 - e. ISMT Europe AB Sweden,
 - f. Nagapattinam Energy Private Limited.
 - g. Best Exim Private Limited
 - h. Success Power and Infraprojects Private Limited,
 - i. Marshal Microware Infrastructure Development Company Private Limited.,
 - j. PT ISMT Resources- Indonesia, Indian Seamless Inc. USA.



Independent Auditor's Review Report on Unaudited Standalone Financial Results of the Company, for the Quarter and nine months ended December 31, 2023, Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors
ISMT Limited
Panama House (earlier known as Lunkad Towers)
Viman Nagar, Pune,
Maharashtra – 411014

We have reviewed the accompanying statement of standalone unaudited financial results of **ISMT Limited** for the quarter and nine months ended **December 31, 2023** being submitted by the company pursuant to the requirement of regulation 33 of SEBI (Listing Obligations and disclosure requirements) Regulations, 2015, as amended.

The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to issue a report on the Statement 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 from 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 standalone 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.

Emphasis of Matters:

We draw attention to:

1. Note No. 3 of the Statement, regarding remuneration payable to Erstwhile Managing Director of the Company amounting to Rs 4.20 Crore cumulative up to March 31, 2022 is subject to approval of appropriate authorities.



2. Note No. 4 of the Statement, regarding provision for impairment made by the Company to the extent of Rs 30.59 Crores in respect of its investment (including advances) in subsidiary "Tridem Port and Power Company Private Limited" (TPPCPL) based on the management assessment and facts of the legal litigations.

Our conclusion is not modified in respect of above matters.

For P G BHAGWAT LLP

Chartered Accountants,

Firm's Registration Number: 101118W/ W100682

Nachiket Deo

Partner

Membership No. 117695

UDIN: 24117695 BKCKG49320

Place: Pune

Date: January 24, 2024



ISMT Limited

Regd. Office : Panama House (earlier known as Lunkad Towers) , Viman Nagar, Pune 411 014, Maharashtra.

Phone : 020-41434100, Fax : 020-26630779, E-Mail : secretarial@ismt.co.in,

Web : www.ismt.com, CIN : L27109PN1999PLC016417

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2023

Rs. in Crore

Sr. No	Particulars	Standalone					
		Quarter ended			Nine Months ended		Year ended
		December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
	UnAudited	UnAudited	UnAudited	UnAudited	UnAudited	Audited	
1	Income						
	Revenue from Operations						
	Sales of Products	933.02	1,018.43	873.81	2,907.67	2,919.48	3,860.01
	Less : Inter Segment Transfers	277.25	256.54	265.49	820.80	949.36	1,230.51
	Inter Division Transfers	24.07	24.45	22.54	71.64	70.94	95.97
	(a) Net Sales	631.70	737.44	585.78	2,015.23	1,899.18	2,533.53
	(b) Other Operating Revenue	6.91	10.44	6.58	24.18	18.53	27.78
	(c) Revenue From Operations - (a+b)	638.61	747.88	592.36	2,039.41	1,917.71	2,561.31
	(d) Other Income	5.98	0.75	3.74	9.84	9.24	20.39
	Total Income - (c+d)	644.59	748.63	596.10	2,049.25	1,926.95	2,581.70
2	Expenses						
	(a) Cost of Materials Consumed	284.77	339.25	326.13	989.80	1,041.54	1,380.93
	(b) Changes in inventories of finished goods, work -in -progress and stock-in-trade	12.70	35.28	(26.27)	10.74	6.51	(6.28)
	(c) Employee Benefits Expense	45.13	45.44	42.52	131.01	119.49	159.52
	(d) Finance Costs	2.08	2.66	4.81	8.21	18.01	21.24
	(e) Depreciation	22.76	21.98	13.09	57.19	39.12	55.28
	(f) Other Expenses	207.92	204.54	187.64	613.60	587.85	805.93
	Total Expenses	575.36	649.15	547.92	1,810.55	1,812.52	2,416.62
3	Profit / (Loss) before Exceptional Items and tax (1-2)	69.23	99.48	48.18	238.70	114.43	165.08
4	Exceptional Items (Refer Note No. 2)	-	33.23	0.10	33.23	0.23	7.77
5	Profit / (Loss) before tax (3- 4)	69.23	66.25	48.08	205.47	114.20	157.31
6	Tax Expenses :						
	(a) Current Tax	16.78	30.79	13.74	67.75	32.10	65.80
	(b) Deferred Tax	8.17	2.47	0.14	16.46	0.77	3.78
	(c) Earlier years Tax	-	-	-	-	(8.82)	(8.82)
7	Profit / (Loss) after tax (5- 6)	44.28	32.99	34.20	121.26	90.15	96.55
8	Other Comprehensive Income (net of tax)						
	(a) Items that will not be reclassified to Profit or Loss						
	Gain/ (Loss) on Remeasurement of Defined Benefit Plan	(1.00)	(2.83)	0.26	(3.00)	0.78	3.31
	Income tax effect on above	0.25	0.71	(0.08)	0.75	(0.22)	(0.83)
	Gain/ (Loss) on Remeasurement of Defined Benefit Plan (net of tax)	(0.75)	(2.12)	0.18	(2.25)	0.56	2.48
	(b) Items that will be reclassified to Profit or Loss	-	-	-	-	-	-
	Other Comprehensive Income (Net of tax) (a+b)	(0.75)	(2.12)	0.18	(2.25)	0.56	2.48
9	Total Comprehensive Income for the period (7+8)	43.53	30.87	34.38	119.01	90.71	99.03
10	Paid-up Equity Share Capital (Face Value of Rs. 5/- per share)	150.25	150.25	150.25	150.25	150.25	150.25
11	Other Equity (Excluding Revaluation Reserve)						1,180.00
12	Earnings per share						
	Basic & Diluted Earnings per share of Rs.5/- each (Rs.) (not annualised)	1.47	1.10	1.14	4.04	3.00	3.21

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Sr No	Particulars	Standalone					Rs. in Crore
		Quarter ended		Nine Months ended			Year ended March 31, 2023
		December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	
	UnAudited	UnAudited	UnAudited	UnAudited	UnAudited	Audited	
1	Segment Revenue						
	a) Gross Sales – Tube	539.31	591.59	480.45	1,655.77	1,527.95	2,073.43
	Less : Inter Division	24.07	24.45	22.54	71.64	70.94	95.97
	Sub total	515.24	567.14	457.91	1,584.13	1,457.01	1,977.46
	b) Gross Sales – Steel	393.71	426.84	393.36	1,251.90	1,391.53	1,786.58
	Less : Inter Segment	277.25	256.54	265.49	820.80	949.36	1,230.51
	Sub total	116.46	170.30	127.87	431.10	442.17	556.07
	Total Segment Revenue	631.70	737.44	585.78	2,015.23	1,899.18	2,533.53
2	Segment Results						
	Profit / (Loss) after Depreciation and Before Finance Costs & Exceptional items, Unallocable income (net) and Tax.						
	a) Tube	57.91	94.38	52.53	215.93	114.17	154.92
	b) Steel *	11.36	10.20	0.98	31.88	20.63	30.39
	Total	69.27	104.58	53.51	247.81	134.80	* 185.31
	Less : Finance Costs	2.08	2.66	4.81	8.21	18.01	21.24
	Less : Exceptional items (Refer Note No. 2)	-	33.23	0.10	33.23	0.23	7.77
	Add : Unallocable Income (Net of Unallocable Expenses)	2.04	(2.44)	(0.52)	(0.90)	(2.36)	1.01
	Total Profit / (Loss) Before Tax	69.23	66.25	48.08	205.47	114.20	157.31
	Less : Tax Expenses						
	Current Tax	16.78	30.79	13.74	67.75	32.10	65.80
	Deferred Tax	8.17	2.47	0.14	16.46	0.77	3.78
	Earlier Years Tax	-	-	-	-	(8.82)	(8.82)
	Total Profit / (Loss) After Tax	44.28	32.99	34.20	121.26	90.15	96.55
3	Capital Employed						
	Segment Assets						
	a) Tube	1,489.67	1,497.89	1,395.03	1,489.67	1,395.03	1,412.77
	b) Steel	510.97	438.65	493.24	510.97	493.24	471.91
	c) Unallocable	29.27	38.02	249.95	29.27	249.95	88.02
	Total Assets	2,029.91	1,974.56	2,138.22	2,029.91	2,138.22	1,972.70
	Segment Liabilities						
	a) Tube	159.65	156.58	183.12	159.65	183.12	176.28
	b) Steel	97.86	81.69	263.82	97.86	263.82	122.45
	c) Unallocable	138.57	145.99	184.79	138.57	184.79	159.16
	Total Liabilities	396.08	384.26	631.73	396.08	631.73	457.89

* Includes profit on steel captively consumed by Tube Segment

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ISMT Limited

NOTES ON STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31st DECEMBER 2023.

- The Company and through its Subsidiary Company, ISMT Enterprises S.A., Luxembourg has invested Rs. 48.43 Crores in Structo Hydraulics AB, Sweden (SHAB). The Company has received approval from regulatory authorities for conversion into equity of an amount of Rs. 33.33 Crores (USD 5 Million) due from SHAB, out of which Rs. 16.75 Crores had been converted into equity. Considering the challenging emerging global situation and notwithstanding that the business is considered strategic as well as long term and pending the assessment of the same, based on the valuation report of the Independent Valuer, the Company had conservatively provided for impairment in the value of investment in SHAB of Rs. 63.32 Crores upto 31st December 2023 as per Ind AS 36 "Impairment of Assets". Further company has written-off receivable of SHAB to the extent of Rs. 16.70 Crores which were fully provided for in the earlier period.

2. Exceptional Items:

Rs. In Crores

Particulars	Quarter ended Dec 31, 2023	Quarter ended Sep 30, 2023	Quarter ended Dec 31, 2022	Nine Months ended Dec 31, 2023	Nine Months ended Dec 31, 2022	Year ended March 31, 2023
Provision for Impairment in the value of Investment in Subsidiaries	-	33.23	0.10	33.23	0.23	7.77
Total	-	33.23	0.10	33.23	0.23	7.77

- The Board of Directors and the Shareholders of the Company had approved remuneration to Erstwhile Managing Director for the period December 2016 to March 10, 2022 the date he ceased to be Managing Director. The same however could not be paid pending lenders approval and the lenders dues have since been paid as a result of One Time Settlement. Accordingly, remuneration payable to Erstwhile Managing Director is Rs. 9.24 Crores cumulative up to March 31, 2022 (including Rs. 5.04 Crores refunded to the Company and disclosed as contingent liability). The Company is seeking to discharge the above obligation based on suitable legal opinion and requisite approvals, if any.
- Tridem Port and Power Company Private Limited (TPPCPL), a wholly owned subsidiary of the Company, along with its subsidiaries had proposed to set up a thermal power project and captive port in Tamil Nadu. TPPCPL had obtained the approvals for the projects including acquisition of land but no construction activity had commenced. The Government of Tamil Nadu had granted various permissions to TPPCPL for setting up the aforesaid port and power project. Subsequently, Government had withdrawn permissions so given in earlier years which was challenged by the company in high court by way of writ petitions.

During the last quarter, the Hon'ble Madras High Court had dismissed all of the said Writ Petitions filed by TPPCPL. TPPCPL had challenged the above-mentioned Order by filing Writ Petitions before the Division Bench of the High Court, Madras on 06th October 2023. On further hearings, the bench had directed the government to file the reply. Till the date of these results, there is no change in any of the facts of the case.

However based on current facts the company has conservatively provided for impairment in the value of investment in TPPCPL of Rs. 30.59 Crores till 31st December 2023 (Total impairment provision of Rs. 114.63 Crores as at 31st December 2023) as per Ind AS 36 "Impairment of Assets".

- The above statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of The Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.

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6. The comparative figures have been regrouped and reclassified to meet the current quarter's / years classification.
7. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 24th January, 2024 and are subjected to a "Limited Review" by the statutory auditors.

Place: Pune
Date: January 24th, 2024



For ISMT Limited

Handwritten signature in blue ink.

Nishikant Ektare
Managing Director
DIN No. 02109633



Independent Auditor's Review Report on Unaudited Consolidated Financial Results of the Company, for the Quarter and nine months ended December 31, 2023, Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors

ISMT Limited

Panama House (earlier known as Lunkad Towers)

Viman Nagar, Pune,

Maharashtra – 411014

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **ISMT Limited** ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), for the quarter and nine months ended **December 31, 2023** (the "Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company'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, as amended read with relevant rules issued thereunder 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. 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.
4. We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.
5. The Statement includes the results of the following entities:

Refer *Annexure A* for the list of subsidiaries included in the accompanying statement.
6. Based on our review conducted and procedures performed as stated in paragraph 3 above, 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.



Emphasis of Matters:

1. Note No. 1 of the Statement, regarding provision for impairment made by Tridem Port and Power Company Private Limited (TPPCPL) along with its subsidiaries to the extent of Rs. 14.66 Crores in respect of its Property, Plant & Equipment as per Ind AS 36 "Impairment of Assets".
2. We draw attention to Note No. 2 of the Statement, regarding remuneration payable to Erstwhile Managing Director of the parent company amounting to Rs 4.20 Crore cumulative up to March 31, 2022 is subject to approval of appropriate authorities.

Our conclusion is not modified in respect of above matters.

Other Matter

1. We did not review the unaudited consolidated financial results of a subsidiary included in the statement, whose financial results, before consolidation adjustments, reflect total assets of Rs. 1.75 crores as at December 31, 2023, NIL revenue for the quarter and nine months ended on December 31, 2023, total net loss after tax of Rs. 0.04 crores and Rs. 14.82 crores for the quarter and nine months ended on December 31, 2023 respectively, as considered in the unaudited consolidated financial results. These financial results have been reviewed by other auditors whose report 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 these subsidiaries is based solely on reports of the other auditors and the procedures performed by us as stated in para 3 above.
2. The unaudited consolidated Financial Results include the unaudited Financial Results of five subsidiaries, whose interim Financial Results, before consolidation adjustments, reflect Group's share of total assets of Rs. 91.54 Crores as at December 31, 2023, Group's share in total revenue of Rs. 6.72 Crores and Rs. 16.83 Crores and Group's share of total net profit after tax of Rs. 17.87 Crores and Rs. 13.84 Crores for the quarter and nine months ended on December 31, 2023 respectively, as considered in the consolidated Financial Results. These unaudited interim Financial Results have been furnished to us by the Board of Directors and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such unaudited interim Financial Results. In our opinion and according to the information and explanations given to us by the Board of Directors, these interim Financial Results are not material to the Group.

Our opinion on the consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Results/financial information certified by the Board of Directors.

For P G BHAGWAT LLP

Chartered Accountants,

Firm's Registration Number- 101118W/ W100682



Nachiket Deo

Partner

Membership No. 117695

UDIN: 24117695 BKCKG24574

Date: January 24, 2024



Annexure A - List of Subsidiaries included in the accompanying statement

Name of Subsidiary
ISMT Enterprises SA, Luxembourg
Tridem Port and Power Company Private Limited ("TPPCPL")
Indian Seamless Inc, USA.
Adicca Energy Solutions Private Limited (w.e.f. 6 th May 2023)
Structo Hydraulics AB, Sweden ("SHAB")
ISMT Europe AB, Sweden (100% subsidiary of SHAB)
Nagapattinam Energy Private Limited (100% subsidiary of TPPCPL)
Best Exim Private Limited (100% subsidiary of NEPL)
Success Power and Infraprojects Private Limited (100% subsidiary of NEPL)
Marshal Microware Infrastructure Development Company Private Limited (100% subsidiary of NEPL)
PT ISMT Resources, Indonesia (100% subsidiary of TPPCPL)



ISMT Limited

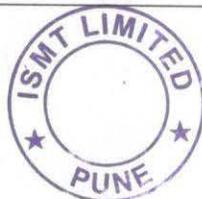
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Phone : 020-41434100, Fax : 020-26630779, E-Mail : secretarial@ismt.co.in,

Web : www.ismt.com, CIN : L27109PN1999PLC016417

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31 ,2023

		Rs. in Crore					
		Consolidated					
		Quarter ended			Nine Months ended		Year ended
Sr. No	Particulars	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	Revenue from Operations						
	Sales of Products	939.50	1,021.31	880.31	2,923.66	2,946.35	3,895.33
	Less : Inter Segment Transfers	277.25	256.54	265.49	820.80	949.36	1,230.51
	Inter Division Transfers	24.07	24.45	22.54	71.64	70.94	95.97
	Sale to Subsidiary Company	2.90	2.15	0.76	7.26	14.94	16.66
	(a) Net Sales	635.28	738.17	591.52	2,023.96	1,911.11	2,552.19
	(b) Other Operating Revenue	6.97	10.48	6.62	24.30	18.70	28.02
	(c) Revenue From Operations - (a+b)	642.25	748.65	598.14	2,048.26	1,929.81	2,580.21
	(d) Other Income	7.71	2.24	3.81	12.27	9.63	17.97
	Total Income - (c+d)	649.96	750.89	601.95	2,060.53	1,939.44	2,598.18
2	Expenses						
	(a) Cost of Materials Consumed	285.49	339.12	330.31	991.96	1,048.59	1,390.54
	(b) Changes in inventories of finished goods, work -in -progress and stock-in-trade	12.31	35.05	(26.80)	11.87	6.08	(7.46)
	(c) Employee Benefits Expense	46.89	46.91	44.80	136.28	125.87	167.62
	(d) Finance Costs	2.20	2.73	4.91	8.55	18.31	21.68
	(e) Depreciation	23.33	22.28	13.74	58.34	40.93	58.58
	(f) Other Expenses	192.84	205.41	192.16	600.57	596.26	812.20
	Total Expenses	563.06	651.50	559.12	1,807.57	1,836.04	2,443.16
3	Profit / (Loss) before Exceptional Items and tax (1-2)	86.90	99.39	42.83	252.96	103.40	155.02
4	Exceptional items (Refer Note No. 1)	-	14.66	-	14.66	-	6.43
5	Profit / (Loss) before tax (3- 4)	86.90	84.73	42.83	238.30	103.40	148.59
6	Tax Expenses :						
	(a) Current Tax	16.77	30.79	13.74	67.74	32.10	65.80
	(b) Deferred Tax	8.17	2.47	0.14	16.46	0.77	3.78
	(c) Earlier Years Tax	-	-	-	-	(8.82)	(8.73)
7	Profit / (Loss) after tax (5- 6)	61.96	51.47	28.95	154.10	79.35	87.74
8	Other Comprehensive Income (net of tax)						
	(a) Items that will not be reclassified to Profit or Loss						
	Gain/ (Loss) on Remeasurement of Defined Benefit Plan	(1.00)	(2.83)	0.26	(3.00)	0.78	3.31
	Income Tax effect on above	0.25	0.71	(0.08)	0.75	(0.22)	(0.83)
	Gain/ (Loss) on Remeasurement of Defined Benefit Plan (net of tax)	(0.75)	(2.12)	0.18	(2.25)	0.56	2.48
	(b) Items that will be reclassified to Profit or Loss						
	Foreign Currency Translation Reserve	(0.25)	(0.26)	3.27	0.23	2.66	1.19
	Other Comprehensive Income (Net of tax) (a+b)	(1.00)	(2.38)	3.45	(2.02)	3.22	3.67
9	Total Comprehensive Income for the period (7+8)	60.96	49.09	32.40	152.08	82.57	91.41
	Profit / (Loss) attributable to :						
	Equity Shareholders of Parent	61.96	51.47	28.95	154.10	79.35	87.73
	Non Controlling Interest	0.00	0.00	0.00	0.00	0.00	0.01
	Other Comprehensive Income attributable to :						
	Equity Shareholders of Parent	(1.00)	(2.38)	3.45	(2.02)	3.22	3.67
	Non Controlling Interest	0.00	0.00	0.00	0.00	0.00	0.00
	Total Comprehensive Income attributable to :						
	Equity Shareholders of Parent	60.96	49.09	32.40	152.08	82.57	91.40
	Non Controlling Interest	0.00	0.00	0.00	0.00	0.00	0.01
10	Paid-up Equity Share Capital (Face Value of Rs. 5/- per share)	150.25	150.25	150.25	150.25	150.25	150.25
11	Other Equity (Excluding Revaluation Reserve)						1,141.32
12	Earnings per share						
	Basic & Diluted Earnings per share of Rs.5/- each (Rs.) (not annualised)	2.06	1.71	0.96	5.13	2.64	2.92



SEGMENT WISE CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED
DECEMBER 31, 2023.

		Consolidated					Rs. in Crore
		Quarter ended		Nine Months ended		Year ended	
Sr No	Particulars	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	Year ended March 31, 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Segment Revenue							
a)	Gross Sales – Tube	545.79	594.47	486.95	1,671.76	1,554.82	2,108.75
	Less : Inter Division	24.07	24.45	22.54	71.64	70.94	95.97
	: Sale to Subsidiary Company	2.90	2.15	0.76	7.26	14.94	16.66
	Sub total	518.82	567.87	463.65	1,592.86	1,468.94	1,996.12
b)	Gross Sales – Steel	393.71	426.84	393.36	1,251.90	1,391.53	1,786.58
	Less : Inter Segment	277.25	256.54	265.49	820.80	949.36	1,230.51
	Sub total	116.46	170.30	127.87	431.10	442.17	556.07
	Total Segment Revenue	635.28	738.17	591.52	2,023.96	1,911.11	2,552.19
2 Segment Results							
Profit / (Loss) after Depreciation and Before Finance Costs & Exceptional items, Unallocable income (net) and Tax.							
a)	Tube	77.13	93.70	47.21	230.72	103.67	145.07
b)	Steel *	11.36	10.20	0.98	31.88	20.63	30.39
	Total	88.49	103.90	48.19	262.60	124.30	175.46
	Less : Finance Costs	2.20	2.73	4.91	8.55	18.31	21.68
	Less : Exceptional items (Refer Note No. 1)	-	14.66	-	14.66	-	6.43
	Add : Unallocable Income (Net of Unallocable Expenses)	0.61	(1.78)	(0.45)	(1.09)	(2.59)	1.24
	Total Profit / (Loss) Before Tax	86.90	84.73	42.83	238.30	103.40	148.59
	Less : Tax Expenses						
	Current Tax	16.77	30.79	13.74	67.74	32.10	65.80
	Deferred Tax	8.17	2.47	0.14	16.46	0.77	3.78
	Earlier Years Tax	-	-	-	-	(8.82)	(8.73)
	Total Profit / (Loss) After Tax	61.96	51.47	28.95	154.10	79.35	87.74
3 Capital Employed							
Segment Assets							
a)	Tube	1,511.76	1,501.62	1,407.26	1,511.76	1,407.26	1,422.21
b)	Steel	510.97	438.65	493.24	510.97	493.24	471.91
c)	Unallocable	7.30	16.11	208.48	7.30	208.48	47.62
	Total Assets	2,030.03	1,956.38	2,108.98	2,030.03	2,108.98	1,941.74
Segment Liabilities							
a)	Tube	164.04	159.61	187.21	164.04	187.21	181.03
b)	Steel	97.87	81.69	263.82	97.87	263.82	122.45
c)	Unallocable	138.11	146.03	188.85	138.11	188.85	160.29
	Total Liabilities	400.02	387.33	639.88	400.02	639.88	463.77

* Includes profit on steel captively consumed by Tube Segment



ISMT Limited

NOTES ON CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31st, 2023.

1. Exceptional Items:

The Parent Company is continuing its investments in subsidiaries viz. Tridem Port and Power Company Private Limited (TPPCPL) alongwith its subsidiaries and Indian Seamless Inc., USA and had recognised Goodwill on Consolidation of Rs 6.43 Crore on acquisition in the consolidated financial statements. TPPCPL is been incurring losses and its net worth is also eroded. The Parent Company had made provision for impairment on investment in TPPCPL on the basis of report of the independent valuer in standalone financial statement upto March 31, 2023. Further, provision for impairment is made in standalone financial statements based on judgement of high court during the current financial year. Consequent upon the change in management, the parent company had initiated review of all the overseas subsidiaries including Indian Seamless Inc., USA. Considering the principles laid down in Ind AS 36, the group had impaired carrying value of Goodwill on consolidation in its consolidated financial statements for as at March 31, 2023.

Rs. In Crores

Particulars	Quarter ended Dec 31, 2023	Quarter ended Sep 30, 2023	Quarter ended Dec 31, 2022	Nine Months ended Dec 31, 2023	Nine Months ended Dec 31, 2022	Year ended March 31, 2023
Provision for Impairment in the carrying value of Goodwill on consolidation	-	-	-	-	-	6.43
Provision for Impairment in value of Property, Plant and Equipment.	-	14.66	-	14.66	-	-
Total	-	14.66	-	14.66	-	6.43

Tridem Port and Power Company Private Limited (TPPCPL), a wholly owned subsidiary of the Company, along with its subsidiaries had proposed to set up a thermal power project and captive port in Tamil Nadu. TPPCPL had obtained the approvals for the projects including acquisition of land but no construction activity had commenced. The Government of Tamil Nadu had granted various permissions to TPPCPL for setting up the aforesaid port and power project. Subsequently, Government had withdrawn permissions so given in earlier years which was challenged by the company in high court by way of writ petitions.

During the previous quarter, the Hon'ble Madras High Court had dismissed all of the said Writ Petitions filed by TPPCPL. TPPCPL had challenged the above-mentioned Order by filing Writ Petitions before the Division Bench of the Madras High Court on 06th October 2023. On further hearings, the bench had directed the government to file the reply. Till the date of these results, there is no change in any of the facts of the case.

However based on current facts, TPPCPL along with its subsidiaries had conservatively provided for impairment in the value of Property, Plant & Equipments to the extent of Rs. 14.66 Crores till 31st December 2023 as per Ind AS 36 "Impairment of Assets".

2. The Board of Directors and the Shareholders of the Parent Company had approved remuneration to Erstwhile Managing Director for the period December 2016 to March 10, 2022, the date he ceased to be Managing Director. The same however could not be paid pending lenders approval and the lenders dues have since been paid as a result of One Time Settlement. Accordingly, remuneration payable to Erstwhile Managing Director is Rs. 9.24 Crores cumulative upto March 31, 2022 (including Rs. 5.04 Crores refunded to the Parent Company and disclosed as contingent liability). The Parent Company is seeking to discharge the above obligation based on suitable legal opinion and requisite approvals, if any.



3. The above statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of The Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.

The Consolidated financial results of the Company and its subsidiaries (the Group) have been prepared as per Ind AS 110 on "Consolidated Financial Statements".

4. The comparative figures have been regrouped and reclassified to meet the current quarter's / years classification.
5. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on January 24th, 2024 and are subjected to a "Limited Review" by the statutory auditors.

Place: Pune
Date: January 24th, 2024



For ISMT Limited

A handwritten signature in blue ink, appearing to read "Nishikant Ektare".

Nishikant Ektare
Managing Director
DIN No. 02109633



Annexure 16

KIRLOSKAR FERROUS INDUSTRIES LIMITED							
A Kirloskar Group Company							
Registered Office : 13, Laxmanrao Kirloskar Road, Khadki, Pune 411003, Maharashtra, India							
Telephone No : +91 (20) 66084645 Fax No : +91 (20) 25813208 Email : kfilinvestor@kirloskar.com Website : www.kirloskarferrous.com							
CIN : L27101PN1991PLC063223							
Statement of Unaudited Financial Results for the quarter and nine months ended 31 December 2023							
Sr No	Particulars	(Figures are ₹ in Crores unless stated otherwise)					
		Standalone					
		Quarter ended			Nine months ended		Year ended
	31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	Revenue from Operations	968.00	879.81	1,075.09	2,774.29	3,158.44	4,149.42
2	Other Income	4.71	2.44	3.27	8.49	39.12	42.38
3	Total Income (1+2)	972.71	882.25	1,078.36	2,782.78	3,197.56	4,191.80
4	Expenses						
	(a) Cost of Materials consumed	621.92	538.70	664.14	1,746.42	2,028.30	2,639.50
	(b) Purchase of stock-in-trade	-	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(8.35)	(23.63)	(6.54)	(40.94)	4.54	(12.43)
	(d) Employee benefits expense	41.66	38.83	36.12	117.92	104.87	152.05
	(e) Finance costs	27.39	26.99	22.03	80.00	61.52	84.76
	(f) Depreciation and amortisation expense	34.27	32.24	26.45	97.96	76.15	103.96
	(g) Other expenses	185.83	193.18	197.62	564.21	560.36	751.93
	Total Expenses	902.72	806.31	939.82	2,565.57	2,835.74	3,719.77
5	Profit before exceptional items and tax (3-4)	69.99	75.94	138.54	217.21	361.82	472.03
6	Exceptional Items	-	-	-	-	-	-
7	Profit before tax (5-6)	69.99	75.94	138.54	217.21	361.82	472.03
8	Tax expense						
	(a) Current tax	12.80	13.73	34.11	42.04	88.82	103.74
	(b) Deferred tax	5.45	5.33	2.04	12.79	4.76	15.85
	(c) Short / (Excess) provision of earlier years	-	-	(0.61)	-	(0.61)	1.74
	Total Tax expense	18.25	19.06	35.54	54.83	92.97	121.33
9	Profit for the period (7-8)	51.74	56.88	103.00	162.38	268.85	350.70
10	Other Comprehensive Income						
	A) (i) Items that will not be reclassified to profit or loss	1.27	(0.78)	(0.16)	(2.67)	0.22	(3.56)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.32)	0.19	0.03	0.67	(0.06)	0.82
	B) (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total Other Comprehensive Income	0.95	(0.59)	(0.13)	(2.00)	0.16	(2.74)
11	Total Comprehensive Income [comprising Profit (after tax) and Other Comprehensive Income (after tax) for the period] (9+10)	52.69	56.29	102.87	160.38	269.01	347.96
12	Paid-up equity share capital (Face value of ₹ 5 each)	69.64	69.60	69.44	69.64	69.44	69.48
13	Paid-up Debt Capital	250.00	250.00	250.00	250.00	250.00	250.00
14	Reserves excluding revaluation reserve						1,548.87
15	Debt Redemption Reserve	NA	NA	NA	NA	NA	NA
16	Earnings Per Share (in ₹) (not annualised)						
	(a) Basic	3.71	4.09	7.42	11.67	19.37	25.26
	(b) Diluted	3.68	4.06	7.37	11.58	19.30	25.12

Notes :

- The Company operates only in one segment, namely Iron Castings
- This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 ('IND-AS') prescribed under Section 133 of the Companies Act, 2013 and applicable recognised accounting practices and policies.
- The above results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 2 February 2024. The above results are also subjected to 'Limited Review' by the Statutory Auditor.
- Consequent to allotment of 72,400 Equity Shares of ₹ 5 each fully paid pursuant to 'KFIL Employee Stock Option Scheme 2017' and 'KFIL Employee Stock Option Scheme 2021' during the quarter, the Issued, Subscribed and Paid-up equity share capital of the Company has increased to ₹ 696,358,970 comprising of 139,271,794 equity shares of ₹ 5 each.
- During the quarter under review, a sum of Rs. 200 Crores was raised by issue of commercial papers and the proceeds has been utilised for working capital requirements and general corporate puposes. The total outstanding value of Commercial Papers as on 31-Dec-2023 was Rs. 196.44 Crores.
- The comparative figures have been regrouped and reclassified to meet the current quarter's / year's classification.



[Handwritten Signature]



KIRLOSKAR FERROUS INDUSTRIES LIMITED

A Kirloskar Group Company

Registered Office : 13, Laxmanrao Kirloskar Road, Khadki, Pune 411003, Maharashtra, India

Telephone No : +91 (20) 66084645 Fax No : +91 (20) 25813208 Email : kfiiinvestor@kirloskar.com Website : www.kirloskarferrous.com

CIN : L27101PN1991PLC063223

7) Additional information pursuant to requirement of Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended :

	Standalone					
	Quarter ended			Nine months ended		Year ended
	31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Debt-Equity Ratio (Debt/Equity) [Debt: long term borrowings + Short term borrowings] [Equity :Total Equity]	0.71	0.70	0.53	0.71	0.53	0.55
Debt Service Coverage Ratio - Annualised [Earning available for debt services / Interest + Instalment] [Earning available for debt services:net profit before tax+ non cash expenses (Depreciation and Amortisation) + Interest expense on borrowings] [Interest + Instalment : Interest expenses on borrowings and current maturities]	1.96 #	2.11 #	4.04	2.07 #	3.72	1.84
Interest Service Coverage Ratio - Annualised [EBIT / Finance Charges]	3.56	3.81	7.29	3.72	6.88	6.57
Net Worth (₹ in Crores) [Equity share capital + securities premium + reserves created out of profit]	1,731.53	1,677.16	1,558.83	1,731.53	1,558.83	1,606.47
Current Ratio (Current Assets / Current Liabilities)	0.86	0.87	0.89	0.86	0.89	0.84
Long term debt to working capital [Non current borrowings + current maturities of long term borrowing] / [Total current assets- (Current liabilities- Current Maturities of Long term borrowing)]	9.23	8.09	*	9.23	*	18.90
Bad debts to Accounts receivable ratio [Bad debts] / [Average trade receivables]	-	-	-	-	-	-
Current liability ratio [Total current liabilities] / [Total liabilities]	0.72	0.71	0.72	0.72	0.72	0.76
Total debts to total assets [Non current borrowings+ current borrowings] / [Total assets]	0.32	0.30	0.24	0.32	0.24	0.25
Debtors turnover	7.02	6.64	8.33	6.71	8.15	7.70
Inventory turnover	3.92	3.32	4.92	3.63	5.07	4.57
Operating margin (%) [EBITDA] / [Turnover]	13.11%	15.09%	17.09%	13.94%	14.58%	14.90%
Net profit margin (%) [Profit / (loss) after tax / Revenue from Operations]	5.35%	6.47%	9.58%	5.85%	8.51%	8.45%

* Working capital is negative

Figures have not been annualised for ratio calculation considering the shutdown of furnaces for upgradation.

For Kirloskar Ferrous Industries Limited



R. V. Gumaste
Managing Director (DIN : 00082829)

Place : Pune
Date : 02 Feb 2024



KIRLOSKAR FERROUS INDUSTRIES LIMITED

A Kirloskar Group Company

Registered Office : 13, Laxmanrao Kirloskar Road, Khadki, Pune 411003, Maharashtra, India

Telephone No : +91 (20) 66084645 **Fax No :** +91 (20) 25813208 **Email :** kfilinvestor@kirloskar.com **Website :** www.kirloskarferrous.com

CIN : L27101PN1991PLC063223

Statement of Unaudited Financial Results for the quarter and nine months ended 31 December 2023

Sr No	Particulars	(Figures are ₹ in Crores unless stated otherwise)					
		Consolidated					
		Quarter ended			Nine months ended		Year ended
		31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	Revenue from Operations	1,548.21	1,559.69	1,600.52	4,610.37	4,851.89	6,417.45
2	Other Income	8.89	4.29	4.81	17.64	37.73	49.33
3	Total Income (1+2)	1,557.10	1,563.98	1,605.33	4,628.01	4,889.62	6,466.78
4	Expenses						
	(a) Cost of Materials consumed	844.69	810.15	921.93	2,526.14	2,840.16	3,717.86
	(b) Purchase of stock-in-trade	-	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	3.98	11.41	(33.34)	(29.07)	10.62	(19.89)
	(d) Employee benefits expense	88.82	85.74	80.92	254.48	230.74	319.68
	(e) Finance costs	29.57	29.74	24.73	88.54	69.76	95.47
	(f) Depreciation and amortisation expense	63.46	57.04	42.92	167.18	124.66	172.58
	(g) Other expenses	378.70	400.09	389.78	1,167.11	1,155.70	1,564.09
	Total Expenses	1,409.22	1,394.17	1,426.94	4,174.38	4,431.65	5,849.79
5	Profit before exceptional items and tax (3-4)	147.88	169.81	178.39	453.63	457.97	616.99
6	Exceptional Items	-	(36.73)	-	(36.73)	-	-
7	Profit before tax (5-6)	147.88	133.08	178.39	416.90	457.97	616.99
8	Tax expense						
	(a) Current tax	29.58	44.52	47.85	109.79	120.92	169.54
	(b) Deferred tax	12.97	6.89	1.44	27.18	3.71	17.10
	(c) Short / (Excess) provision of earlier years	-	-	(0.60)	-	(9.42)	(6.98)
	Total Tax expense	42.55	51.41	48.69	136.97	115.21	179.66
9	Profit for the period (7-8)	105.33	81.67	129.70	279.93	342.76	437.33
10	Share of Profit / (Loss) of associates	NA	NA	NA	NA	NA	NA
11	Other Comprehensive Income						
	A) (i) Items that will not be reclassified to profit or loss	0.27	7.06	0.10	5.00	1.00	(0.25)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.07)	0.91	(0.04)	1.43	(0.27)	(0.01)
	B) (i) Items that will be reclassified to profit or loss	(0.25)	(0.26)	3.27	0.23	2.66	1.19
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total Other Comprehensive Income	(0.05)	7.71	3.33	6.66	3.39	0.93
12	Total Comprehensive Income [comprising Profit (after tax) and Other Comprehensive Income (after tax) for the period] (9+10+11)	105.28	89.38	133.03	286.59	346.15	438.26
13	Profit / (Loss) attributable to :						
	Equity Shareholders of Parent	76.33	68.25	116.61	218.59	306.87	395.10
	Non Controlling Interest	29.00	13.42	13.09	61.34	35.89	42.23
14	Other Comprehensive Income attributable to :						
	Equity Shareholders of Parent	0.44	8.86	1.65	7.64	1.82	(0.85)
	Non Controlling Interest	(0.49)	(1.15)	1.68	(0.98)	1.57	1.78
15	Total Comprehensive Income attributable to :						
	Equity Shareholders of Parent	76.77	77.11	118.26	226.23	308.69	394.25
	Non Controlling Interest	28.51	12.27	14.77	60.36	37.46	44.01
16	Paid-up equity share capital (Face value of ₹ 5 each)	69.64	69.60	69.44	69.64	69.44	69.48
17	Paid-up Debt Capital	250.00	250.00	250.00	250.00	250.00	250.00
18	Reserves excluding revaluation reserve						2,024.40
19	Debenture Redemption Reserve	NA	NA	NA	NA	NA	NA
20	Earnings Per Share (in ₹) (not annualised)						
	(a) Basic	5.48	4.91	8.40	15.71	22.10	28.46
	(b) Diluted	5.43	4.87	8.35	15.58	21.97	28.31

Notes :

- This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 ('IND-AS') prescribed under Section 133 of the Companies Act, 2013 and applicable recognised accounting practices and policies.
- The above results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 02-Feb-2024. The above results are also subjected to 'Limited Review' by the Statutory Auditor.
- Exceptional Item:** Tridem Port and Power Company Private Limited (TPPCPL), a wholly owned subsidiary of ISMT Ltd, along with its subsidiaries in the prior years had proposed to set up a Thermal power project and captive port in Tamilnadu. TPPCPL had obtained the approvals for the projects including acquisition of land but no construction activity had commenced. The Govt. of Tamilnadu had granted various permissions to TPPCPL for setting up the aforesaid port and power project. Subsequently, Govt. had withdrawn the permissions so given in the earlier years which was challenged by the company in High Court by way of writ petitions. During the previous quarter, the Hon'ble Madras High court has dismissed all of the said Writ Petitions filed by TPPCPL. TPPCPL has challenged the above mentioned order by filing Writ Petition before the Division bench of the Madras High Court on 06-Oct-2023. On further hearings, the bench has directed the Govt. to file reply. Till the date of these results, there is no change in any of the facts of the case. However, based on the current facts, the company has conservatively provided for impairment in the value of the Property, Plant & Equipments to the extent of Rs. 36.73 Crores as per Ind AS 36 "Impairment of Assets".




- 4 | During the previous quarter under review, the Company has acquired 100 percent of the paid-up equity share capital and the sole management control of Oliver Engineering Private Limited ('OEPL') in terms of the Order passed by the National Company Law Tribunal, New Delhi and OEPL has become wholly owned subsidiary of KFIL with effect from 29-Sep-2023. For the purpose of consolidated financial statements the fair value of assets and liabilities acquired of OEPL has been determined in accordance with Ind AS 103 " Business Combinations" as on 29 Sep-2023. As of 31-Dec-2023, OEPL has not commenced its operations.
- 5 | The comparative figures have been regrouped and reclassified to meet the current quarter's / year's classification.
- 6 | Additional information pursuant to requirement of Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended :

	Consolidated					
	Quarter ended			Nine months ended		Year ended
	31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Debt-Equity Ratio (Debt/Equity) [Debt: long term borrowings + Short term borrowings] [Equity :Total Equity]	0.39	0.39	0.29	0.39	0.29	0.32
Debt Service Coverage Ratio - Annualised [Earning available for debt services / Interest + Instalment] [Earning available for debt services:net profit before tax & Exceptional items+ non cash expenses (Depreciation and Amortisation) + Interest expense on borrowings] [Interest + Instalment : Interest expenses on borrowings and current maturities]	2.26	2.45	5.03	2.33	4.58	2.39
Interest Service Coverage Ratio - Annualised [EBIT / Finance Charges]	6.00	6.71	8.21	6.12	7.56	7.46
Net Worth (₹ in Crores) [Equity share capital + securities premium + reserves created out of profit]	1,775.49	1,696.18	1,538.67	1,775.49	1,538.67	1,593.16
Current Ratio (Current Assets / Current Liabilities)	1.20	1.20	1.15	1.20	1.15	1.12
Long term debt to working capital [Non current borrowings + current maturities of long term borrowing] / [Total current assets- (Current liabilities- Current Maturities of Long term borrowing)]	1.14	1.23	1.41	1.14	1.41	1.29
Bad debts to Accounts receivable ratio [Bad debts] / [Average trade receivables]	-	-	-	-	-	-
Current liability ratio [Total current liabilities] / [Total liabilities]	0.72	0.71	0.74	0.72	0.74	0.76
Total debts to total assets [Non current borrowings+ current borrowings] / [Total assets]	0.22	0.21	0.15	0.22	0.15	0.18
Debtors turnover	7.19	7.36	8.22	7.14	8.31	7.89
Inventory turnover	3.01	3.00	3.54	2.95	3.78	3.57
Operating margin (%) [EBITDA] / [Turnover]	14.99%	16.18%	15.10%	15.00%	12.70%	13.02%
Net profit margin (%) [Profit / (loss) after tax / Revenue from Operations]	6.80%	5.24%	8.10%	6.07%	7.10%	6.81%

For Kirloskar Ferrous Industries Limited



R. V. Gumaste
Managing Director (DIN : 00082829)

Place : Pune
Date : 02 Feb 2024



KIRLOSKAR FERROUS INDUSTRIES LIMITED

A Kirloskar Group Company

Registered Office : 13, Laxmanrao Kirloskar Road, Khadki, Pune 411003 (Maharashtra)

Tel No. : +91 20 66084645 Fax No.: +91 20 25813208 Email : kfiinvestor@kirloskar.com Website : www.kirloskarferrous.com

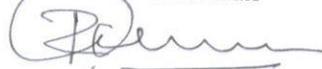
CIN : L27101PN1991PLC063223

Consolidated Segment Information

Sl No	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
(Figures are ₹ in Crores unless stated otherwise)							
i)	1. Segment Revenue						
	(a) Casting Segment	955.15	869.89	1,068.58	2,746.40	3,136.78	4,123.53
	(b) Tube segment	545.79	594.47	486.95	1,671.76	1,554.82	2,108.75
	(c) Steel Segment	393.71	426.84	393.36	1,251.90	1,391.53	1,786.58
	(d) Unallocated Total	19.84	20.38	13.14	52.20	39.62	53.17
	Less: Inter Segment Revenue (including inter division)	366.28	351.89	361.51	1,111.89	1,270.86	1,654.58
	Net sales/Income From Operations	1,548.21	1,559.69	1,600.52	4,610.37	4,851.89	6,417.45
ii)	2. Segment Results						
	(Profit (+) / Loss (-) before tax and interest from Each segment)						
	(a) Casting Segment	91.63	99.92	158.16	288.93	412.73	545.81
	(b) Tube segment	76.01	92.60	45.91	227.39	101.24	140.65
	(c) Steel Segment*	9.22	8.79	-0.43	26.93	16.39	24.76
	(d) Unallocated Total	0.59	-38.49	-0.52	-37.81	-2.63	1.24
	Total	177.45	162.82	203.12	505.44	527.73	712.46
	Less: Interest	29.57	29.74	24.73	88.54	69.76	95.47
	Total Profit before exceptional items and tax	147.88	133.08	178.39	416.90	457.97	616.99
iii)	3. Capital Employed						
	(Segment assets – Segment Liabilities)						
	(a) Casting Segment	1,685.69	1,621.75	1,567.52	1,685.69	1,567.52	1,391.77
	(b) Tube segment	1,453.87	1,449.29	1,330.63	1,453.87	1,330.63	1,350.67
	(c) Steel Segment	700.60	645.77	552.90	700.60	552.90	671.04
	(d) Unallocated Total	-578.87	-562.27	-503.28	-578.87	-503.28	-404.99
	Total	3,261.29	3,154.54	2,947.77	3,261.29	2,947.77	3,008.49
	4. Segment Assets						
	(a) Casting Segment	3,401.62	3,399.98	2,957.49	3,401.62	2,957.49	3,065.05
	(b) Tube segment	1,617.91	1,608.90	1,517.84	1,617.91	1,517.84	1,531.69
	(c) Steel Segment	798.47	727.46	789.27	798.47	789.27	768.20
	(d) Unallocated Total	54.68	72.73	259.12	54.68	259.12	116.57
	Total	5,872.68	5,809.07	5,523.72	5,872.68	5,523.72	5,481.51
	5. Segment Liabilities						
	(a) Casting Segment	1,715.93	1,778.23	1,389.97	1,715.93	1,389.97	1,673.28
	(b) Tube segment	164.04	159.61	187.21	164.04	187.21	181.02
	(c) Steel Segment	97.87	81.69	236.37	97.87	236.37	97.16
	(d) Unallocated Total	633.55	635.00	762.40	633.55	762.40	521.56
	Total	2,611.39	2,654.53	2,575.95	2,611.39	2,575.95	2,473.02

* Includes profit on steel captively consumed by Tube segment

For Kirloskar Ferrous Industries Limited



R. V. Gumaste
Managing Director (DIN : 00082829)

Place : Pune
Date : 02 Feb 2024



KIRTANE & PANDIT LLP

Independent Auditor's Review Report on Unaudited Standalone Financial Results of Kirloskar Ferrous Industries Limited for the Quarter and nine months ended December 31, 2023

To
The Board of Directors of
Kirloskar Ferrous Industries Limited

1. We have reviewed the accompanying statement of unaudited financial results of **Kirloskar Ferrous Industries Limited** (the "Company") for the quarter and nine months ended December 31, 2023 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended. read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express 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. 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 analytical procedures 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.

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Kirtane & Pandit LLP
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4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement 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 and 52 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.

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No.105215W/W100057



Parag Pansare

Partner

Membership No.: 117309

UDIN: 24117309BKCAVT8139



Pune, 02 February, 2024

KIRTANE & PANDIT LLP

Independent Auditor's Review Report on Unaudited Consolidated Financial Results of Kirloskar Ferrous Industries Limited for Quarter and nine months ended December 31, 2023

To
The Board of Directors of
Kirloskar Ferrous Industries Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of **Kirloskar Ferrous Industries Limited** (the "The Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") for the quarter and nine months ended December 31, 2023 (the "Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company'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.



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Kirtane & Pandit LLP
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We also performed procedures in accordance with the circulars 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:

Sr. No.	Name of Entity	Relationship
1	Kirloskar Ferrous Industries Limited	Holding
2	Oliver Engineering Private Limited (w.e.f. 29 th September, 2023)	Wholly Owned Subsidiary
3	ISMT Limited	Subsidiary
4	SMT Enterprises S.A Luxembourg	Step-down Subsidiary
5	Indian Seamless Inc. USA.	Step-down Subsidiary
6	Structo Hydraulics AB Sweden	Step-down Subsidiary
7	Tridem Port and Power Company Private Limited	Step-down Subsidiary
8	ISMT Europe AB Sweden	Step-down Subsidiary
9	Nagapattinam Energy Private Limited	Step-down Subsidiary
10	Best Exim Private Limited	Step-down Subsidiary
11	Success Power and Infraprojects Private Limited	Step-down Subsidiary
12	Marshal Microware Infrastructure Development Company Private Limited	Step-down Subsidiary
13	PT ISMT Resources- Indonesia, Indian Seamless Inc. USA	Step-down Subsidiary
14	Adicca Energy Solutions Private Limited. (w.e.f. 6 th May, 2023)	Step-down Subsidiary

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 7 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 and 52 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 draw attention to Note No. 3 of the Statement, regarding provision for impairment made by Tridem Port and Power Company Private Limited (TPPCL), a wholly owned subsidiary of ISMT Ltd, along with its subsidiaries to the extent of Rs. 36.73 Crores in respect of its Property, Plant & Equipment as per Ind AS 36 "Impairment of Assets.

7.

a. We did not review the consolidated unaudited financial results in respect of 1 Subsidiary (which include its 11 subsidiaries), whose financial results reflect the total revenue of Rs. 642.25 Crores and Rs. 2048.26 Crores, total net profit after tax of Rs. 61.96 Crores and Rs. 154.10 Crores, total comprehensive Income of Rs. 60.96 Crores and Rs. 152.08 Crores for the quarter and nine months ended December 31, 2023, as considered in the unaudited consolidated financial results which have been audited by their independent auditor.

These interim financial results have been reviewed by other auditor whose report has 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 the subsidiary, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of this matter.

b. The accompanying statement of consolidated financial results of the Company include the unaudited interim financial results of its wholly owned subsidiary whose unaudited interim financial results reflect the total revenue of Rs. 0.00 Crores and Rs. 0.00 Crores, net loss after tax of Rs. 1.92 Crores and Rs. 6.41 Crores, total comprehensive loss of Rs. 1.92 Crores and Rs. 6.41 Crores for the quarter and nine months ended December 31, 2023, as considered in the statement. These unaudited interim financial results have been approved and

furnished to us by the management. Our conclusion, in so far as it relates to the affairs of the wholly owned subsidiary, is based solely on such unaudited financial information/ financial results. According to the information and explanations given to us by the Management, this interim financial result is not material to the Group.

Our opinion on the consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Results/financial information certified by the Board of Directors.

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No.105215W/W100057



Parag Pansare

Partner

Membership No.: 117309

UDIN: 24117309BKCAVS3004

Pune, 2 February, 2024

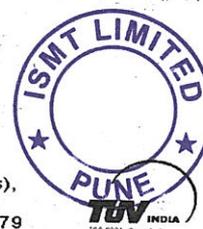
REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ISMT LIMITED ("COMPANY") IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013 AT ITS MEETING HELD ON NOVEMBER 4, 2022 AND ADJOURNED TO NOVEMBER 5, 2022

1. The Board of Directors ("**Board**") considered the proposal to amalgamate ISMT Limited including its entire business and undertaking (hereinafter referred to as "**ISMT**" or "**Transferor Company**"), with Kirloskar Ferrous Industries Limited (hereinafter referred to as "**KFIL**" "**Transferee Company**"). This involves the dissolution without winding up of the Transferor Company, the issuance of equity shares by KFIL to all shareholders of the Transferor Company (other than KFIL) in accordance with the Share Exchange Ratio (as defined hereinafter), and various other matters connected with the above.
2. The proposal is to be implemented in terms of a draft scheme of arrangement and merger ("**Scheme**") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, the rules and/ or regulations made there under ("**Companies Act**"), Section 2(1B) of the Income Tax Act, 1961, the rules and/ or regulations made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the master circular no. **SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665** issued by the Securities and Exchange Board of India ("**SEBI**") on November 23, 2021 (as amended from time to time) or any other circulars issued by SEBI, from time to time, applicable to schemes of arrangement ("**SEBI Circular**") and other applicable laws.
3. Words and expressions, used in capitalized form but not defined in this report, shall have the meaning ascribed to them in the Scheme.
4. The Scheme was approved by the Audit Committee of the Company at its meeting held on November 4, 2022 and adjourned to November 5, 2022 and by the Committee of Independent Directors of the Company, at its meeting held on November 5, 2022.
5. A draft of the aforesaid Scheme was placed before the Board in its meeting held on November 4, 2022 and adjourned to November 5, 2022 ("**Meeting**"). The Board approved the draft Scheme at its' meeting on November 5, 2022.
6. The Scheme will be filed with the stock exchanges on which the shares of KFIL and the Company are listed, i.e., BSE Limited ("**BSE**") in case of KFIL and BSE and National Stock Exchange of India Limited ("**NSE**") in case of ISMT Limited ("**Stock Exchanges**"), pursuant to Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**") read with the SEBI Circular, for obtaining a no objection letter from the Stock Exchanges.
7. Thereafter, the Scheme will be presented before the National Company Law Tribunal ("**NCLT**"), bench at Mumbai, under Sections 230 to 232 of the Companies Act.
8. As per Section 232(2)(c) of the Companies Act, a report is required to be adopted by the Board of Directors explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company laying out in particular the Share Exchange Ratio and specifying any special valuation difficulties ("**Report**"). Accordingly, this Report of the Board is prepared to comply with the requirements of Section 232(2)(c) of the Companies Act.



ISO 14001: 16949:2016

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ISO: 9001:2015



BS ISO 45001:2018
ISO: 14001:2015

9. Having regard to applicability of the aforesaid provisions, following documents were placed before the Board at its Meeting:
- (a) Draft of the Scheme
 - (b) Valuation report dated November 5, 2022 ("**Valuation Report**") issued by Mr. Amit Jain, an independent registered valuer, having registration number IBBI/RV/05/2019/12675 describing, inter alia, the methodologies adopted by them in arriving at the recommended Share Exchange Ratio and setting out the detailed computation of Share Exchange Ratio for the proposed Scheme (as defined hereinafter);
 - (c) Fairness opinion dated November 5, 2022 ("**Fairness Opinion**") issued by Keynote Financial Services Limited, an independent merchant banker registered with SEBI with registration number INM000003606 providing its opinion on the fairness of the share exchange ratio as recommended in the Valuation Report
 - (d) Auditors' Certificate dated November 5, 2022 issued by M/s. P G BHAGWAT, LLP Chartered Accountants (Firm Registration No. 101118W/W100682), Statutory Auditors of the Company, as required under Section 232(3) of the Companies Act certifying that the accounting treatment contained in the draft Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act;
 - (e) Report adopted by the audit committee of the Company at its meeting held on November 4, 2022 and adjourned to November 5, 2022;
 - (f) Report adopted by the committee of independent directors of the Company at its meeting held on November 5, 2022; and
 - (g) Other presentations, reports, documents and information made to/ furnished before the Board pertaining to the draft Scheme.

10. Rationale of the Scheme

- 10.1 Merger would be in be interest of the Companies and their respective shareholders, employees, creditors and other stakeholders as Merger is expected to:
- a. Synergy arising out of consolidation of the businesses of the Transferor Company and the Transferee Company will make the business activities more sustainable in the long term as well as grow at a faster pace;
 - b. Create value for stakeholders including respective shareholders, customers, lenders and employees as the combined business would benefit from increased scale, expanded reach, higher cross selling opportunities to a larger base of customers, improvement in productivity amongst others;
 - c. Better administration & cost optimization are expected to flow from more focused operational efforts, standardization & simplification of business processes & elimination of duplication & rationalization of administrative expenses as well as compliance cost;
 - d. Pooling of resources and achieving economies of scale;
 - e. Greater integration and flexibility to Transferee Company and strengthen its position in terms of asset base, revenues and service range;
 - f. The Transferee Company has fully backward integrated operations ranging from iron ore mines to machined castings as well as a very strong client base across the globe. The Transferor Company is one of the most diversified manufacturers of specialized seamless tubes in the world, producing tubes in the range of 6 to 273 mm diameter. Merging of the business of the Transferor Company will bring in the benefits of forward integration and



ISO 9001:2015 16949:2016

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ISO: 9001:2015



BS ISO 45001:2018
ISO: 14001:2015



diversification of product portfolio to the business of the Transferee Company.

- g. The merger would result in mitigation of the risks of the Transferor Company relating to procurement of certain input raw material.
- h. The Transferor Company's investments and business plan had not panned out as expected and that led to its debt obligations becoming stressed. However, with combining of operations of the Transferor Company with the Transferee Company, benefits of better terms of finance and availability of capital will help in streamlining and improving the financial operations of the merged entity.

10.2 This Scheme provides *inter alia* for the following:

- (a) the amalgamation of Transferor Company, including its entire business & undertaking 'with and into KFIL' and the consequent issue of 17 fully paid-up equity shares ("New Equity Shares") of Rs. 5/- each of KFIL to the Shareholders of Transferor Company (other than KFIL) for every 100 fully paid-up equity shares of Rs. 5/- each held by such Shareholders of the Transferor Company;
- (b) dissolution without winding up of Transferor Company;
- (c) transfer of the authorized Share Capital from Transferor Company to KFIL and consequent amendment to the Memorandum of Association of KFIL;
- (d) listing of New Equity Shares of KFIL on BSE Limited; and
- (e) the Appointed Date will be April 1, 2023.

11. Effect of the Scheme on Stakeholders

S. No.	Category of Stakeholders	Effect of the Scheme on the Stakeholder
a.	Shareholders	<p>The Company has equity shareholders and does not have any other class of shareholders.</p> <p>Upon the Scheme coming into effect, KFIL will allot its equity shares, credited as fully-paid up, to all shareholders of the Transferor Company whose name appear in the register of members of the Transferor Company on the Record Date (as defined under the Scheme) or to their respective heirs, executors, administrators or other legal representatives or successors in title as on Record Date in the following manner:</p> <p><i>"17 Transferee Company Shares, credited as fully paid-up, for every 100 equity shares of the face value of Rs. 5/- each fully paid-up held by such member in the Transferor Company ("Share Exchange Ratio")."</i></p> <p>These equity shares will rank pari passu with all other shares of the Company and will be listed on the Stock Exchanges. The Transferee Company will not be issued any shares in lieu of its existing shareholding in the Transferor Company.</p> <p>The Scheme is expected to have several benefits for the Company as indicated in the rationale of the Scheme set out above and is expected to be in the best interests of the shareholders of the Company.</p>



ISO 14001: 16949:2016

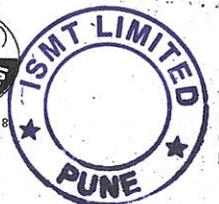
Corporate & Registered Office
Panama House (Earlier known as Lunkad Towers),
Viman Nagar, Pune- 411 014, India.
Phone: +91 20 4143 4100 | Fax: +91 20 26630779
E-mail: secretarial@ismt.co.in Website: www.ismt.co.in
CIN: L27109PN1999PLC016417



ISO: 9001:2015



BS ISO 45001:2018
ISO: 14001:2015



b.	Key Managerial Personnel ("KMPs")	The Scheme by it itself has no effect on the KMPs of the Company.
c.	Promoters	Promoters of the Transferor Company will not be designated as promoters of Transferee Company. The current Promoters of the Transferee Company shall continue to be classified as Promoters of the Transferee Company and no additional person will be designated as promoter of the Transferee company pursuant to the Scheme.
d.	Non-Promoter Shareholders	Please refer point (a) above regarding effect on the shareholders, which will be applicable for all non-promoter shareholders.

12. Share Exchange Ratio:

- (a) To arrive at the Share Exchange Ratio, the Valuation Report was obtained.
- (b) Mr. Amit Jain (Registered Valuer Registration No. IBBI/RV/05/2019/12675) ("Valuer") have not, in the Valuation Report, expressed any difficulty in determining the Share Exchange Ratio. The Valuer has considered the market approach (comparable companies multiple method and market price method) for determining the Share Exchange Ratio for the Scheme.
- (c) The Fairness Opinion does not indicate any special valuation difficulties.
- (d) The recommendation of the Share Exchange Ratio has been certified as being fair and has been approved by the audit committee, committee of independent directors and by the Board of the Company.
- (e) The Scheme provides that upon the Scheme becoming effective and in consideration of the Amalgamation in accordance with the terms of the Scheme, KFIL will allot its equity shares, credited as fully-paid up shares, to the shareholders of the Transferor Company, whose name appear in the register of members of the Transferee Company on the Record Date or to their respective heirs, executors, administrators or other legal representatives or successors in title as on Record Date in the following manner:

"17 Transferee Company Shares, credited as fully paid-up, for every 100 equity shares of the face value of Rs. 5/- each fully paid-up held by such member in the Transferor Company ("Share Exchange Ratio")."

13. Adoption of the Report by the Directors:

The Directors of the Company have adopted this Report after noting and considering the information set forth in this Report. The Board or any duly authorized committee/ person by the Board is entitled to make relevant modifications to this Report, if required and such modifications or amendments shall be deemed to form part of this Report.

For and on behalf of the Board of Directors of ISMT Limited

Rahul Kirloskar

Rahul Kirloskar
Chairman

Date: November 5, 2022
Place: Pune



ISO/IAF: 16949:2016

Corporate & Registered Office
Panama House (Earlier known as Lunkad Towers),
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REPORT ADOPTED BY THE BOARD OF DIRECTORS OF KIRLOSKAR FERROUS INDUSTRIES LIMITED ("COMPANY") IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013 AT ITS MEETING HELD ON NOVEMBER 5, 2022

1. The Board of Directors ("Board") considered the proposal to amalgamate ISMT Limited including its entire business and undertaking (hereinafter referred to as "ISMT" or "Transferor Company"), with Kirloskar Ferrous Industries Limited (hereinafter referred to as "KFIL" "Transferee Company"). This involves the dissolution without winding up of the Transferor Company, the issuance of equity shares by KFIL to all shareholders of the Transferor Company (other than KFIL) in accordance with the Share Exchange Ratio (as defined hereinafter), and various other matters connected with the above.
2. The proposal is to be implemented in terms of a draft scheme of arrangement and merger ("Scheme") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, the rules and/ or regulations made there under ("Companies Act"), Section 2(1B) of the Income Tax Act, 1961, the rules and/ or regulations made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 issued by the Securities and Exchange Board of India ("SEBI") on November 23, 2021 (as amended from time to time) or any other circulars issued by SEBI, from time to time, applicable to schemes of arrangement ("SEBI Circular") and other applicable laws.
3. Words and expressions, used in capitalized form but not defined in this report, shall have the meaning ascribed to them in the Scheme.
4. The Scheme was approved by the Audit Committee of the Company at its meeting held on November 5, 2022 and by the Committee of Independent Directors of the Company, at its meeting held on November 5, 2022.
5. A draft of the aforesaid Scheme was placed before the Board in its meeting held on November 5, 2022 ("Meeting"). The Board approved the draft Scheme at its' meeting on November 5, 2022.
6. The Scheme will be filed with the stock exchanges on which the shares of KFIL and the Company are listed, i.e., BSE Limited ("BSE") in case of KFIL and BSE and National Stock Exchange of India Limited ("NSE") in case of ISMT Limited ("Stock Exchanges"), pursuant to Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") read with the SEBI Circular, for obtaining a no objection letter from the Stock Exchanges.
7. Thereafter, the Scheme will be presented before the National Company Law Tribunal ("NCLT"), bench at Mumbai, under Sections 230 to 232 of the Companies Act.

8. As per Section 232(2)(c) of the Companies Act, a report is required to be adopted by the Board of Directors explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company laying out in particular the Share Exchange Ratio and specifying any special valuation difficulties ("Report"). Accordingly, this Report of the Board is prepared to comply with the requirements of Section 232(2)(c) of the Companies Act.
9. Having regard to applicability of the aforesaid provisions, following documents were placed before the Board at its Meeting:
- (a) Draft of the Scheme
 - (b) Valuation report dated November 5, 2022 ("Valuation Report") issued by BDO Valuation Advisory LLP, an independent registered valuer, having registration number IBBI/RV-E/02/2019/103 describing, inter alia, the methodologies adopted by them in arriving at the recommended Share Exchange Ratio and setting out the detailed computation of Share Exchange Ratio for the proposed Scheme (as defined hereinafter);
 - (c) Fairness opinion dated November 5, 2022 ("Fairness Opinion") issued by JM Financial Limited, an independent merchant banker registered with SEBI with registration number INM000010361 providing its opinion on the fairness of the share exchange ratio as recommended in the Valuation Report
 - (d) Auditors' Certificate dated November 5, 2022 issued by M/s. Kirtane & Pandit, LLP Chartered Accountants (Firm Registration No. 105215W/ W100057), Statutory Auditors of the Company, as required under Section 232(3) of the Companies Act certifying that the accounting treatment contained in the draft Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act;
 - (e) Report adopted by the audit committee of the Company at its meeting held on November 5, 2022;
 - (f) Report adopted by the committee of independent directors of the Company at its meeting held on November 5, 2022; and
 - (g) Other presentations, reports, documents and information made to/ furnished before the Board pertaining to the draft Scheme.

10. Rationale of the Scheme

10.1 Merger would be in be interest of the Companies and their respective shareholders, employees, creditors and other stakeholders as Merger is expected to:

- a. Synergy arising out of consolidation of the businesses of the Transferor Company and the Transferee Company will make the business activities more sustainable in the long term as well as grow at a faster pace;
- b. Create value for stakeholders including respective shareholders, customers, lenders and employees as the combined business would benefit from increased scale, expanded reach, higher cross selling opportunities to a larger base of customers, improvement in productivity amongst others;

- c. Better administration & cost optimization are expected to flow from more focused operational efforts, standardization & simplification of business processes & elimination of duplication & rationalization of administrative expenses as well as compliance cost;
- d. Pooling of resources and achieving economies of scale;
- e. Greater integration and flexibility to Transferee Company and strengthen its position in terms of asset base, revenues and service range;
- f. The Transferee Company has fully backward integrated operations ranging from iron ore mines to machined castings as well as a very strong client base across the globe. The Transferor Company is one of the most diversified manufacturers of specialized seamless tubes in the world, producing tubes in the range of 6 to 273 mm diameter. Merging of the business of the Transferor Company will bring in the benefits of forward integration and diversification of product portfolio to the business of the Transferee Company.
- g. The merger would result in mitigation of the risks of the Transferor Company relating to procurement of certain input raw material.
- h. The Transferor Company's investments and business plan had not panned out as expected and that led to its debt obligations becoming stressed. However, with combining of operations of the Transferor Company with the Transferee Company, benefits of better terms of finance and availability of capital will help in streamlining and improving the financial operations of the merged entity.

10.2 This Scheme provides *inter alia* for the following:

- (a) the amalgamation of Transferor Company, including its entire business & undertaking 'with and into KFIL' and the consequent issue of 17 fully paid-up equity shares ("New Equity Shares") of Rs. 5/- each of KFIL to the Shareholders of Transferor Company (other than KFIL) for every 100 fully paid-up equity shares of Rs. 5/- each held by such Shareholders of the Transferor Company;
- (b) dissolution without winding up of Transferor Company;
- (c) transfer of the authorized Share Capital from Transferor Company to KFIL and consequent amendment to the Memorandum of Association of KFIL;
- (d) listing of New Equity Shares of KFIL on BSE Limited; and
- (e) the Appointed Date will be April 1, 2023.

11. Effect of the Scheme on Stakeholders

S. No.	Category of Stakeholders	Effect of the Scheme on the Stakeholder
a.	Shareholders	<p>The Company has equity shareholders and does not have any other class of shareholders.</p> <p>Upon the Scheme coming into effect, KFIL will allot its equity shares, credited as fully-paid up, to all shareholders of the Transferor Company whose name appear in the register of members of the Transferor Company on the Record Date (as defined under the Scheme) or to their respective heirs, executors, administrators or other legal representatives or successors in title as on Record Date in the following manner:</p> <p><i>"17 Transferee Company Shares, credited as fully paid-up, for every 100 equity shares of the face value of Rs. 5/- each fully paid-up held by such member in the Transferor Company ("Share Exchange Ratio")."</i></p> <p>These equity shares will rank pari passu with all other shares of the Company and will be listed on the Stock Exchanges. The Transferee Company will not be issued any shares in lieu of its existing shareholding in the Transferor Company.</p> <p>The Scheme is expected to have several benefits for the Company as indicated in the rationale of the Scheme set out above, and is expected to be in the best interests of the shareholders of the Company.</p>
b.	Key Managerial Personnel ("KMPs")	The Scheme by it itself has no effect on the KMPs of the Company.
c.	Promoters	Promoters of the Transferor Company will not be designated as promoters of Transferee Company. The current Promoters of the Transferee Company shall continue to be classified as Promoters of the Transferee Company and no additional person will be designated as promoter of the Transferee company pursuant to the Scheme.
d.	Non-Promoter Shareholders	Please refer point (a) above regarding effect on the shareholders, which will be applicable for all non-promoter shareholders.

12. Share Exchange Ratio:

- (a) To arrive at the Share Exchange Ratio, the Valuation Report was obtained.
- (b) BDO Valuation Advisory LLP (Registered Valuer Registration No. IBBI/RV-E/02/2019/103) ("Valuer") have not, in the Valuation Report, expressed any difficulty in determining the Share Exchange Ratio. The Valuer has considered the market approach (comparable companies multiple method and market price method) for determining the Share Exchange Ratio for the Scheme.

Kirloskar Ferrous Industries Limited
A Kirloskar Group Company

Registered Office :
13, Laxmanrao Kirloskar Road, Khadki, Pune 411003, Maharashtra
Telephone : +91 (20) 66084645 Telefax : +91 (20) 25813208 / 25810209
Email : kfilinvestor@kirloskar.com Website : www.kirloskarferrous.com
CIN : L27101PN1991PLC063223

- (c) The Fairness Opinion does not indicate any special valuation difficulties.
- (d) The recommendation of the Share Exchange Ratio has been certified as being fair and has been approved by the audit committee, committee of independent directors and by the Board of the Company.
- (e) The Scheme provides that upon the Scheme becoming effective and in consideration of the Amalgamation in accordance with the terms of the Scheme, KFIL will allot its equity shares, credited as fully-paid up shares, to the shareholders of the Transferor Company, whose name appear in the register of members of the Transferee Company on the Record Date or to their respective heirs, executors, administrators or other legal representatives or successors in title as on Record Date in the following manner:

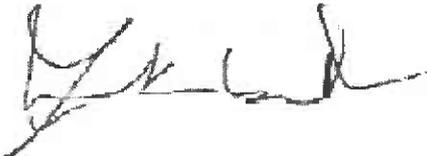
"17 Transferee Company Shares, credited as fully paid-up, for every 100 equity shares of the face value of Rs. 5/- each fully paid-up held by such member in the Transferor Company ("Share Exchange Ratio")."

13. Adoption of the Report by the Directors:

The Directors of the Company have adopted this Report after noting and considering the information set forth in this Report. The Board or any duly authorized committee/ person by the Board is entitled to make relevant modifications to this Report, if required and such modifications or amendments shall be deemed to form part of this Report.

For and on behalf of the Board of Directors of

Kirloskar Ferrous Industries Limited



Atul Kirloskar
Chairman

Date: November 5, 2022
Place: Pune

STATUS OF PENDING INVESTIGATIONS AND LEGAL CASES FILED AGAINST ISMT LIMITED (ISMT)

Sr. No.	Court/Tribunal /Investigation Authority	Name of Parties	Brief Facts of the Case	Amount involved Rs. in Lacs	Current Status
1	NCLT, Mumbai	SFIO V/s ISMT & others, NCLT, Mumbai CP No. 216/2022	An investigation into the affairs of the Transferor Company has been instituted under Section 212(1)(a) and (c) of the Act by the Serious Fraud Investigation Office (“SFIO”). Basis this investigation, the SFIO filed Petition against ISMT & others u/S 241(2), 246 r/w 339 of the Companies Act, 2013, inter alia, alleging mismanagement and seeking freezing of assets of certain past Key Managerial Personnels. NCLT passed order to respondents to file its reply. However, no interim order has been passed. Accordingly, respondents filed its reply. Further, ISMT filed application No. 124 of 2023 to delete its name from the case as there is no specific prayer at all in the Petition against ISMT and ISMT is merely a proforma party to the Petition. Upon hearing, NCLT of the aforesaid application, the application is now reserved for orders.	NIL	Matter fixed for order.

Sr. No.	Court/Tribunal /Investigation Authority	Name of Parties	Brief Facts of the Case	Amount involved Rs. in Lacs	Current Status
	Calcutta Stock Exchange	ISMT	<p>There were certain fees outstanding as per the Calcutta Stock Exchange pertaining to The Indian Seamless Metal Tubes Limited (CIN: U28113PN1977PTC019775) which merged into Kalyani Seamless Tubes Limited (CIN: U99999MH1990PLC055406) and ceased to exist and was therefore delisted, sometime in the year 2000. This merged entity eventually merged into ISMT Limited (CIN: U27109PN2001PLC016417) in 2005, which is listed only on BSE Limited and the National Stock Exchange.</p> <p>Due to the aforesaid outstanding fees and similarity in names of the companies, the Calcutta Stock Exchange mistakenly froze the demat accounts of the directors of the present ISMT Ltd. However, the issue has been resolved and Calcutta Stock Exchange has subsequently defreezed the accounts of the directors of ISMT.</p>		The issue has been resolved and Calcutta Stock Exchange has subsequently defreezed the accounts of the directors of ISMT.

Sr. No.	Court/Tribunal /Investigation Authority	Name of Parties	Brief Facts of the Case	Amount involved Rs. in Lacs	Current Status
2(a)	Commercial Court, Pune	Avignon Shipping Co. V/s ISMT Civil Court, Pune Commercial Suit No. 26/2023	Party has filed Civil Suit for recovery of outstanding dues for services rendered to ISMT relating to clearing of imported consignments by sea. Party filed Application before Civil Court, Pune to transfer the matter before the Commercial Court, Pune on which ISMT submitted its Say. Both Special Civil Suits filed by & against ISMT are now kept to pass appropriate order on the said Application. Upon hearing, the Court has transferred the matter to the Commercial Court.	587.42	Matter transferred to the Commercial Court.
2(b)	JMFC, Pune	Avignon Shipping Co., Pune V/s ISMT JMFC, Pune R.C.C No. 0404767/2010	The Party filed Criminal Complaint on 09/11/2010 against ISMT, its Director & certain employees for dishonest misappropriation of property & criminal breach of trust. The matter is stayed by virtue of order dt 17/11/2011 by High Court in Criminal Revision filed by ISMT against the issue process order dt 22/06/2011 passed by JMFC, Pune.	NIL	The matter is stayed

Sr. No.	Court/Tribunal /Investigation Authority	Name of Parties	Brief Facts of the Case	Amount involved Rs. in Lacs	Current Status
3	District Court, Pune	Inpac Projects International Pvt.Ltd. and OCB Engineers Versus Mr. Jayprakash Jadhav & ISMT RCA No. 505/2016	ISMT assigned work related to Captive Power Project to Inpac & OCB Engineers which was sub-delegated to Mr. Jayprakash Jadhav by Inpac & OCB. Thereafter, Mr. Jadhav filed recovery suit against Inpac, OCB & ISMT before Civil Court, Pune wherein the Court passed order dt 29.01.2014 in his favour & deleted name of ISMT from the suit. Inpac & OCB filed Appeal before Bombay High Court challenging the said order, wherein it has been directed them to deposit 75% of decretal amount in the Court to get the matter admitted. Subsequently, the matter transferred from High Court to District Court, Pune. ISMT filed application for deleting its name from the matter before District Court.	NIL	Matter fixed for hearing.
4	High Court, Bombay	Pune Municipal Corporation ("PMC") V/s	ISMT purchased property at Yewarda, Pune from Shyamkund Co-op. Hsg. Society Ltd in 1993. Due to change in ownership from the Society to ISMT, PMC started issuing property tax bills	1.66	Matter fixed for argument.

Sr. No.	Court/Tribunal /Investigation Authority	Name of Parties	Brief Facts of the Case	Amount involved Rs. in Lacs	Current Status
		ISMT WP No. 5920/2006	for FY1995-96 & 1996-97, of Rs. 5,25,397/-. ISMT paid the said amount under Protest. Thereafter, ISMT challenged the same by filing Appeal before the Small Cause Court, Pune wherein the Court vide order dt 15/04/1997 allowed the Appeal, set aside Assessment order made for fixing the rateable value at Rs. 5,80,550/- & directed PMC to refund excess amount to ISMT which was collected by PMC from ISMT. PMC filed Appeal before District Court, Pune challenging the said order which was rejected on 03/03/2005 by the Court on ground of devoid of merit. PMC filed Writ Petition on 02/08/2006 before Bombay High Court challenging the said order dt 03/03/2005. ISMT filed Affidavit & Reply to the Petition before the High Court.		
5	High Court, Calcutta	Bhartia Mini Spring & Engg. Co. Pvt. Ltd. V/s ISSAL	Party filed recovery suit before High Court, Calcutta for loss suffered by them due to delay in supply of steel by ISMT. ISMT filed its Written Statement on 21/09/2004.	20.02	Matter not Listed since 2004.

Sr. No.	Court/Tribunal /Investigation Authority	Name of Parties	Brief Facts of the Case	Amount involved Rs. in Lacs	Current Status
6	Civil Court, Pune	C.S No.322/2003 Shivganga Prestressed Pipes Pvt. Ltd. Civil Court, Pune SCS No. 1645/2013	Party filed suit against OCB Engineers, Inpac Projects & ISMT for non payment of dues. ISMT filed Application on 04/08/2014 for deletion of its name from the suit which was rejected by the Court vide order dt 25/07/2016. Matter is kept for Evidence & production of original documents by the Party.	49.07	ISMT is a third Party. Matter fixed for evidence of the Party.
7	Civil Court, Pune	Industrial Forge & Engineering Co. Ltd. V/s. ISMT M.A No. 13/2015	Party filed Miscellaneous Application for setting aside the Decree passed by the CJSD, Pune.	NIL	Matter fixed for argument.
8	District Court, Warora	Maya Sonatakke V/s ISMT	Party filed Civil Suit before District Court seeking mandatory & perpetual injunction & claimed damages due to lying down	NIL	Matter kept for arguments.

Sr. No.	Court/Tribunal /Investigation Authority	Name of Parties	Brief Facts of the Case	Amount involved Rs. in Lacs	Current Status
		R.C.A No. 21/2017	pipelines by ISMT through her Agriculture land. Court dismissed the Suit on 27/10/2015. Hence, Party filed Appeal on 17/04/2017 before District Court, Warora.		
9	Civil Court, Saswad	R.N.Ghate V/s Mr. Nevaskar and others Civil Court, Saswad R.C.S No.275/2012	Party filed suit for partition of ancestral land situated at the Steel Plant of ISMT at Jejuri. ISMT has also been made a Party in the Suit.	NIL	Matter fixed for hearing.
10	Chief Judicial Magistrate, Pune	State of Maharashtra v/s Nishikant Ektare, MD SCC/4986/2023	State of Maharashtra filed Compliant u/S. 7-A(2)(a),92, of the Factories Act. However, Mr Nishikant Ektare, Managing Director of ISMT has received the notice from the Court.	NIL	Plea

Sr. No.	Court/Tribunal /Investigation Authority	Name of Parties	Brief Facts of the Case	Amount involved Rs. in Lacs	Current Status
11	Chief Judicial Magistrate, Pune	State of Maharashtra v/s Nishikant Ektare, MD SCC/36299/2022	State of Maharashtra filed Compliant u/S. 7-A(2)(a),92, of the Factories Act. The notice has been issued but Mr Nishikant Ektare, Managing Director of ISMT has not yet received any notice from the Court.	NIL	Awaiting Summons.
12	Kerala High Court	Rakesh Rajendra v/s. MCA & others Kerla High Court WP(C) No. 24781/2022	Writ petition filed in Kerala High Court on 10/02/2023 by a shareholder of ISMT against Investor Education & Protection Fund (IEPF) wherein ISMT is also one of the respondents. The same was received by ISMT on 21/02/2023. Complaint is mainly against IEPF for not transferring back shares so claimed by the shareholder. ISMT has, from time to time, filed verification reports with IEPF approving claim of the shareholder. However, the same was pending with IEPF. The Court has fixed the matter for filing of reply.	NIL	Matter fixed for filing of reply

Sr. No.	Court/Tribunal /Investigation Authority	Name of Parties	Brief Facts of the Case	Amount involved Rs. in Lacs	Current Status
13	Civil Court, Pune	Maruti Trading Company Vs. ISMT - Civil Court, Pune E.P No.133/2012	Execution Proceeding filed on 31/10/2012 by the Party for executing the Decree passed by the Civil Court in Civil Suit No.54 of 2006 against ISMT for recovery of money.Proceedings stayed by Court vide order dt 18/07/2013.	111.46 L	Proceedings stayed by High Court
14	Civil Court, Bangalore	Inox Air Products Pvt.Ltd. Vs Praxair & ISMT Original Suit No. 3833/2015	INOX filed suit against Praxair& ISMT before Civil Court, Bangalore for breach of Job Work Agreement & Liquid Oxygen Supply Agreement. ISMT & Party executed Consent terms dated 14/03/2017. Accordingly, all disputes between Party & ISMT have been resolved. In the above Consent Terms, it is stated that, ISMT added as proper party to the said proceeding in Original Suit No. 3833/2015 pending before Civil Court, Bangalore but no reliefs claimed against ISMT thereat.	NIL	Matter kept for evidence of Inox.
15	High Court, Aurangabad	Mr. A N Shaikh V/s. ISMT Ltd.	Party joined ISMT as permanent skilled workman & was dismissed for misconduct on 27/07/1998. He requested to accept	NIL	Matter fixed for arguments.

Sr. No.	Court/Tribunal /Investigation Authority	Name of Parties	Brief Facts of the Case	Amount involved Rs. in Lacs	Current Status
		WP No. 6439/2009	his resignation instead of dismissing him to which ISMT agreed & paid dues including ex-gratia amount. Thereafter, he challenged his resignation before Labour Court, A'nagar, who held that resignation given by Mr. Shaikh is voluntary & directed Mr. Shaikh to pay ex-gratia of around Rs. 2.47 Lacs back to ISMT&ISMT should reinstate him. The Order was challenged by both the parties by filing Revision Application (RA) before the Industrial Court, A'nagar who allowed RA of ISMT& quashed & set aside the Order of Reinstatement passed by Labour Court, A'nagar& dismissed RA of Mr. Shaikh. Mr. Shaikh challenged the above Order by filing Writ Petition.		
16	High Court, Aurgangabad	Raju Gaikwad & others v/s. ISMT Ltd. WP No.	Mr. Gaikwad & 22 other workmen were employees of Sodhi Fabricators at A'nagar& were working at ISMT's Plant at A'nagar. Services of the employees were terminated by the Contractor. The employees filed complaint at Industrial Court, A'nagar claiming permanency benefits alongwith their legal dues	NIL	Matter fixed for argument.

Sr. No.	Court/Tribunal /Investigation Authority	Name of Parties	Brief Facts of the Case	Amount involved Rs. in Lacs	Current Status
		7177/2012	against ISMT & the Contractor. Industrial Court dismissed their complaint for want of jurisdiction upholding that unless & until there is undisputed relationship of employee & employer, no complaint of unfair labour practice can be entertained. The employees challenged the said Order by filing Writ Petition.		
17	Labour Court, Pune	ISMT Limited, Jejuri V/s ISSAL Employees Union, Jejuri. Ref. IT No. 11/2017	Party sent letter to ISMT for demand of wages. Thereafter, Party approached to Conciliation Officer. Dispute between Parties could not be resolved. Conciliation Officer referred the matter to Industrial Court for adjudication. Thereafter, Party filed statement of claims before Labour Court, Pune for wage rise of TG & SG grade employees in basic salary, DA, HRA, Personnel pay, attendance reward programme, shift allowance, overtime out duty allowance, petrol allowance, emergency duty allowance etc. ISMT filed Written statement.	NIL	Matter kept for Evidence of the Party.
18	Industrial Court,	Mr. Nilesh T. Ghate V/s ISMT	Party appointed as Trainee in 2013. Thereafter, he was appointed as probationer for 6 months. In spite of completion of	NIL	Matter kept for evidence of

Sr. No.	Court/Tribunal /Investigation Authority	Name of Parties	Brief Facts of the Case	Amount involved Rs. in Lacs	Current Status
	Pune	LTD, IT, Pune Comp. (ULP) No. 58/2020	probation period, ISMT did not extend benefits of permanency to the Party. Thereafter, Party filed Complaint before Industrial Court, Pune with stay application. ISMT filed its reply. Court partly allowed the application & directed ISMT not to terminate service of the Party without following due process of law, till final disposal of the Complaint.		Complainant
19	Industrial Court, Pune	Mr. Sampat B. Khaira V/s ISMT LTD, IT, Pune Comp. (ULP) No. 59/2020	Party appointed as Trainee in 2013. Thereafter, he was appointed as probationer for 6 months. In spite of completion of probation period, ISMT did not extend benefits of permanency to the Party. Thereafter, Party filed Complaint before Industrial Court, Pune with stay application. ISMT filed its reply. Court partly allowed the application & directed ISMT not to terminate service of the Party without following due process of law, till final disposal of the Complaint.	NIL	Matter kept for evidence of Complainant
20	Industrial Court,	Mr. Darshan V. Chavan V/s ISMT	Party appointed as Trainee in 2013. Thereafter, he was appointed as probationer for 6 months. In spite of completion of	NIL	Matter kept for evidence of

Sr. No.	Court/Tribunal /Investigation Authority	Name of Parties	Brief Facts of the Case	Amount involved Rs. in Lacs	Current Status
	Pune	LTD, IT, Pune Comp.(ULP) No. 60/2020	probation period, ISMT did not extend benefits of permanency to the Party. Thereafter, Party filed Complaint before Industrial Court, Pune with stay application. ISMT filed its reply. Court partly allowed the application & directed ISMT not to terminate service of the Party without following due process of law, till final disposal of the Complaint.		Complainant
21	Industrial Court, Pune	Mr. Harishchandra D Ghate V/s ISMT LTD. IT, Pune Comp.(ULP) No. 61/2020	Party appointed as Trainee in 2013. Thereafter, he was appointed as probationer for 6 months. In spite of completion of probation period, ISMT did not extend benefits of permanency to the Party. Thereafter, Party filed Complaint before Industrial Court, Pune with stay application. ISMT filed its reply. Court partly allowed the application & directed ISMT not to terminate service of the Party without following due process of law, till final disposal of the Complaint.	NIL	Matter kept for evidence of Complainant
22	Labour Commissioner,	Rajaram Shirsagar	Rajaram was employee in A'Nagar plant of ISMT. He was involved in theft case. Hence, ISMT removed him from	NIL	Matter pending before conciliation

Sr. No.	Court/Tribunal /Investigation Authority	Name of Parties	Brief Facts of the Case	Amount involved Rs. in Lacs	Current Status
	Nashik		employment. He filed an application for conciliation in Labour commissioner office at Nashik 22 years back. So far ISMT has not called for conciliation meeting by Govt Conciliation Officer. Neither is he following up with Labour Commissioner.		officer for last 22 years
23	Industrial Court, Pune	Manoj Shelar v/s ISMT	Manoj shelar is a crane operator at Jejuri plant. He is suspected to be involved in scrap theft case of 06/01/2023. Hence, he is suspended pending enquiry. In the enquiry, he wanted to bring an Advocate as his representative. ISMT took an objection to the same. Therefore he made an application in Industrial Court for stay order and/or permission to be defended by Advocate.	NIL	Complaint is withdrawn by complainant.
24	Industrial Court, Pune	Jaywant Jadhav v/s ISMT ULP/63/2023	Jaywant Jadhav is a weigh bridge operator at Jejuri plant. He is suspected to be involved in scrap theft case of 06/01/2023. Hence, he is suspended pending enquiry. In the enquiry, he wanted to bring an Advocate as his representative. ISMT took an objection to the same. Therefore, he made an application in Industrial Court for stay order and/or permission to be defended	NIL	Complaint is withdrawn by complainant.

Sr. No.	Court/Tribunal /Investigation Authority	Name of Parties	Brief Facts of the Case	Amount involved Rs. in Lacs	Current Status
			by Advocate.		
25	Industrial Court, Pune	Dipak Murlidhar Kalane v/s ISMT ULP/64/2023	Dipak was an employee at Jejuri. For heavy absenteeism he was dismissed on 21/10/2020. He approached Labour commissioner for conciliation in June 2021. Thereafter 3 times he was called for a meeting by conciliation officer but he remained absent for discussion. Ultimately Labour commissioner sent a failure report to Industrial Court with a remarks "Matter could not be discussed & settled amicably as applicant failed to attend the meetings thrice"	NIL	Matter not yet listed

Annexure 20

Details of the ongoing adjudication and recovery proceedings, prosecutions initiated and all other enforcement actions taken against the Transferee Company, its' Promoters and Directors

Sr No	Name of the Parties	Brief Summary	Court/Tribunal/ Investigation	Current Status
1	W.C.No.74/2010 Smt. Sukanya and 3 others vs KFIL (filed on 11/06/2010)	Mr. Basavaraju U, contract workman of M/s. Venkatadri Electricals, met with an accident on 13/02/2010. He expired due to electrocution. Before filing the case, the contractor received a notice dated 23/03/2010 from WC Commissioner to deposit compensation sum of Rs. 3,31,637. Accordingly, the contractor has deposited said sum with the WC Commissioner on 18/06/2010.	Workmen Compensation Commissioner, Bagalkot	Since the workman expired in a fatal accident, his wife and others filed the case claiming compensation of Rs. 10 lac. The Honorable High Court of Karnataka in its interim order dated 29/08/2013 in WP No. 16769/2013 stayed all the pending proceedings under Employees' Compensation Act, 1923. (Main prayer of the Writ Petition is that "Commissioners who are not legally trained and have no knowledge of law, are asked to adjudicate upon the claims under the said Act).
2	KFIL – vs – The APFC, Bellary ATA No.810(6) 2015 (Case filed by KFIL on 23-07-2015	Received summons dated 14/07/2015 from Employees Fund Organisation, Sub-Regional Office, Bellary, for attending the enquiry under Section 7Q of EPF & MP Act, 1952 on belated remittances of dues for the period 2001 to 2005. After enquiry, PF Authorities have passed an order dated 14/07/2015 to remit the interest and damages to the tune of Rs. 26,98,651 and Rs.40,20,938 respectively, within 15 days from the date of receipt of the order. Mr. S. N. Murthy, Sr. Advocate suggested to go for an Appeal. Accordingly, this Appeal was filed before the Employees Provident Fund Appellate Tribunal, New Delhi to quash the order of APFC, Bellary. The Hon'ble Tribunal has ordered on 31/07/2015 that Southern Tribunal starts functioning at Bangalore and this	Employees Provident Fund Appellate Tribunal, New Delhi.	Case admitted. Posted on 25/03/2024 for addressing reply arguments by RPFCL.

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3	CC No. 663/2016 FIR No. 4/2016 Private Complaint filed by KFIL against (1) Jambanna (2) Y. Ravindra Rao (Complaint filed on 06/01/2016 to Munirabad Police Station)	<p>case is to be heard before this Tribunal.</p> <p>The said matter came up on 30-08-2017 for admission, and hearing on interim application. The Hon'ble Judge has passed an order - granted stay for the operation of the impugned orders passed by the APFC, Bellary till disposal of this appeal and also allowed our waiver application.</p> <p>The Company has purchased the non-agricultural land bearing Sy. No. 54/A measuring 21 guntas and Sy. No. 54/B measuring 21 guntas at Kerehalli Village from Mr. Jambanna.</p> <p>Mr. Jambanna has falsely created the revenue records and executed a sale deed to one Mr. Y. Ravindra Rao. Pertaining to the above lands.</p> <p>In this regard, a Private Complaint (criminal) has been filed before Hon'ble JMFC Court, Koppal</p>	Civil Judge (Junior Division) and Judicial Magistrate First Class, Koppal	Posted on 09/02/2024 for issue of summons to PW-1.
4	O.S. 42/2016 KFIL – vs- Jambanna & Y. Ravindra Rao (Case filed by KFIL on 27/02/2016)	<p>The Company has purchased non-agricultural land bearing Sy. No. 54/A measuring 21 guntas and Sy. No. 54/B measuring 21 guntas at Kerehalli Village from Mr. Jambanna. Mr. Jambanna has falsely created the revenue records and executed a sale deed to Mr. Y. Ravindra Rao pertaining to the above lands. Now Mr. Y. Ravindra Rao is not allowing company vehicles the entry through aforesaid lands, to the solid waste disposal yard, which is adjacent to this land. Hence, the Company has filed the suit.</p>	Hon'ble Civil Judge (Jr.Dn.) Koppal	Posted on 05/02/2024 for further arguments.

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Sr No	Name of the Parties	Brief Summary	Court/Tribunal/ Investigation	Current Status
5	W.P No. 100888/2023 (LA-KIADB)	<p>In connection with expansion of New Project Coke Oven and Power Plant we had purchased an additional land of 85 Acres 27 Guntas at Rudrapur area through KIADB in the year 2005-2006. In the above said 85 acres 27 guntas land, an extent of 7.00 acres (Sy.No.12/D) belongs to one Mr. Somanna @ Veeranna Erappa Angadi S/o Erappa Angadi R/o of Bevinahalli. Due to family dispute between Mr.Erappa S/o Gurappa Tenginakai and Mr.Somanna @ Veeranna Erappa Angadi S/o Erappa Angadi, Bevinahalli for compensation amount, they have filed case before JMFC, Koppal in 2007 (O.S.No.19/2007). The matter went up to Hon'ble High Court, Dharwad and finally in RSA No.100135/2014, the Hon'ble Court confirmed the title deed and ownership of Mr.Somanna @ Veeranna Angadi and their family. Since there a dispute, the Special land Acquisition Officer, KIADB, Dharwad has deposited the compensation amount of Rs.7,05,787/- before Hon'ble Civil Judge & JMFC Court, Koppal. After unsuccessful before the Special Land Acquisition Officer, Dhawad and Civil Court, Koppal, Mr.Somanna alias Veeranna Erappa Angadi and their family members filed a Write Petition (WP No.100888/2023 LA-KIADB) seeking the High Court for quashing the KIADB endorsement dtd 04-08-2022 and directing the KIADB and KFIL to extend the compensation amount. In this connection, we have received Petition and Notice from Hon'ble High Court, Dharwad Bench. This case is entrusted to Mr.S.N.Banakar, High Court Advocate, Dhaward. However the authorities have not accepted our submission and gone ahead and charge sheeted KFIL and MD SIT KLA Bangalore investigated and filed a Criminal Case bearing No.39/2022 at CCCH No.24 on 30th December 2021, Bangalore against Mr. R.V. Gumaste – Managing Director (A-7) & M/s. Kirloskar Ferrous Industries Limited (A -8) along with other 6 accused.</p>	Hon'ble High Court, Dharwad Bench	Filed objection statement to this Write Petition. Awaiting further date of hearing.

Sr No	Name of the Parties	Brief Summary	Court/Tribunal/ Investigation	Current Status
6	Appeal No.5/2023 (Filed by KFIL) KFIL – vs – Asst. Director of Factories, Koppal	<p>The Factory authorities have filed a Criminal Case CC No.49/2015 against the Occupier and Factory Manager on 09-01-2015 with regard to contravention of Factories Act 1948 and Karnataka Factories Rule 1969 (incident took place on 02-06-2013). Since the case was not in progress, we have filed a Criminal Petition before the Hon'ble High Court of Karnataka, Dharwad Bench for quashing the above case (Cr.P.No.100479/2023). After the arguments, the Hon'ble High Court has quashed the above case on 11-04-2023. However, by referring the portion of the orders of High Court, the Assistant Director of Factories (ADF) has passed an order on 20-10-2023 to lodge a complaint against Occupier and Factory Manager. Hence, we have appealed before the Appellate Authority & Director of Factories, Bangalore to quash the orders of ADF, Koppal. After hearing on 20-12-2023, the Appellate & Director of Factories passed an order dated 30-12-2023 and rejected our appeal. In view of the rejection of our appeals, the ADF, Koppal may once again lodge a complaint against the Occupier and Factory Manager before JMFC Court, Koppal for the above incident. Hence, we filed Writ Petition before the High Court of Karnataka, Dharwad Bench on 08-01-2024, to quash the orders of Appellate Authority and ADF, Koppal.</p>	Office of the Director of Factories, Govt. of Karnataka, Bangalore	<p>Posted to 20-12-2023 for hearing</p> <p>The Director of Factories, Bangalore passed orders on 30-12-2023 and rejected our Appeal.</p> <p>In view of the rejection of our appeals, the ADF, Koppal may once again lodge a complaint against the Occupier and Factory Manager before JMFC Court, Koppal for the above incident. Hence, we filed Writ Petition before the High Court of Karnataka, Dharwad Bench on 08-01-2024, to quash the orders of Appellate Authority and ADF, Koppal.</p>

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Sr No	Name of the Parties	Brief Summary	Court/Tribunal/ Investigation	Current Status
8	Appeal No.6/2023 (Filed by KFIL) KFIL – vs – Asst. Director of Factories, Koppal	<p>The Factory authorities have filed a Criminal Case No.841/2021 against the Occupier and Factory Manager on 05-02-2021 with regard to contravention of Factories Act 1948 and Karnataka Factories Rule 1969 (incident took place on 16-10-2020). Since the case was not in progress, we have filed a Criminal Petition before the Hon'ble High Court of Karnataka, Dharwad Bench for quashing the above case (Cr.P.No.100481/2023). After the arguments, the Hon'ble High Court has quashed the above case on 11-04-2023. However, by referring the portion of the orders of High Court, the Assistant Director of Factories (ADF) has passed an order on 18-10-2023 to lodge a complaint against Occupier and Factory Manager. Hence, we have appealed before the Appellate Authority & Director of Factories, Bangalore to quash the orders of ADF, Koppal. After hearing on 20-12-2023, the Appellate & Director of Factories passed an order dated 30-12-2023 and rejected our appeal. In view of the rejection of our appeals, the ADF, Koppal may once again lodge a complaint against the Occupier and Factory Manager before JMFC Court, Koppal for the above incident. Hence, we filed Writ Petition before the High Court of Karnataka, Dharwad Bench on 08-01-2024, to quash the orders of Appellate Authority and ADF, Koppal.</p>	Office of the Director of Factories, Govt. of Karnataka, Bangalore	<p>Posted to 20-12-2023 for hearing. The Director of Factories, Bangalore passed orders on 30-12-2023 and rejected our Appeal. In view of the rejection of our appeals, the ADF, Koppal may once again lodge a complaint against the Occupier and Factory Manager before JMFC Court, Koppal for the above incident. Hence, we filed Writ Petition before the High Court of Karnataka, Dharwad Bench on 08-01-2024, to quash the orders of Appellate Authority and ADF, Koppal.</p>

Sr No	Name of the Parties	Brief Summary	Court/Tribunal/ Investigation	Current Status
9	KFIL and Assistant Commissioner of Central Excise	Show cause notice No. V/18/112003 B.1 /338 dated 18.05.2004 issued by The Assistant Commissioner of Central Excise, Bellary has demanded why the interest of Rs.3,41,496.00 should not be recovered which was paid as per orders of the Commissioner (Appeals) Mangalore. In issuing the above SCN the Assistant commissioner, Central Excise, Bellary has relied on the Special leave petition filed by the Department before the Supreme Court. Amount under dispute Rs. 0.03 Crores	Assistant Commissioner of Central Excise, Bellary	The appeal submitted to CESTAT, Chennai has been dismissed as withdrawn by the Commissioner, Central Excise, Belgaum. The CESTAT, Chennai has passed an order to the effect vide Final Order No. 40308/2014 Dt.16.05.2014. We had requested the Assistant Commissioner, Central Excise, Bellary vide our Letter Ref:DCBLY/2014 dt.18/08/2014 to withdraw the above SCN.
10	KFIL and Assistant Commissioner of Central Excise	SCN No.IV/08/44/2010 B.. Dt.02.09.2010 Cenvat Credit on Structural Steel. Amount under dispute Rs. 0.01 Crores	Assistant Commissioner of Central Excise, Bellary	We have submitted a suitable reply to the Asst. Commissioner, Central Excise, Bellary.
11	KFIL and CESTAT, Bangalore	SCN/V/B&F/15/13/2013 ST Adjn. Dt. 25.03.2013 demanding Service Tax on Interest amount paid on Letter of Credit during the period January 2008 to December 2012.. The Commissioner. Central Excise, Belgaum has conducted a hearing on 08/10/2013 & Orders to be received. Amount under dispute Rs. 1.15 Crores	CESTAT, Bangalore	We have received an Order-in-Original BEL-EXCUS-COM-BHR-020(ST)-13-14 Dt.26/02/2014 confirming the Service Tax and also demanded Interest & Penalty. An appeal against the above O-I-O along with stay application has been filed with CESTAT, Bangalore, on 12/05/2014. The Application for Stay was listed for hearing before the CESTAT, Bangalore on 07.09.2015. The Tribunal after hearing both sides has allowed the Application for Stay and granted waiver of pre-deposit of adjudication levies and staying its recovery during pendency of the Appeal. Since the issue is of recurring nature, the Appeal is listed for hearing on 19.11.2015. The hearing of the matter has been adjourned.

Sr No	Name of the Parties	Brief Summary	Court/Tribunal/ Investigation	Current Status
12	KFIL and CESTAT, Bangalore	<p>We have received a Show Cause Notice S.No.10/2016 Commr. (C.Ex.) Dated 05.02.2016 issued by the Commissioner of Central Excise, Belgaum, to show cause as to why the Service Tax Credit of Rs.3,01,20,653/- availed on input services such as Supply of Tangible services, Fabrication & Erection Services, Commission Charges paid to Consignment Agents, Rent-a-Cab services, Testing & Analysis Services etc., during the period from April 2011 to March 2015 including similar services pertaining to expansion of Foundry Unit, should not be disallowed. The SCN also demands payment of interest and penalty. A suitable reply has been submitted on 31/05/2016. The Personal Hearing was conducted on 22/06/2016 at the office of the Commissioner, Belgaum. Amount under dispute Rs. 0.53 Crores</p>	CESTAT, Bangalore	<p>We have received the Order-in-Appeal No.BEL-Original No.BEL/EXCUS/000/COM/BKK/051/16-17 (CX) Dated 09.02.2017 issued by the Commissioner of Central Excise, Belgaum, disallowing Cenvat Credit of Rs.33,17,445/- availed on Inputs Services during the period April 2011 to March 2015. He has also imposed equal amount penalty. While passing the above order, the Commissioner has allowed the Cenvat Credit of Rs. 2.68 Crores out of Rs. 3.01 Crores demanded vide SCN No.10/2016 Dt. 05/02/2016. We have paid Rs.12,94,804/- under protest through Cenvat Account and the same will be mentioned in the Appeal. An Appeal against the said Order-in-Original has been filed with the CESTAT on 09/05/2017.</p>
13	KFIL and CESTAT, Bangalore	<p>We have received the Show Cause Notice No.V/18/06/2017-Refund/450/2018 Dated 23.04.2018 passed by the Deputy Commissioner of Central Tax, Hospet, to show cause why the Refund Claim of Rs.41,15,498/- filed by us in respect of Service Tax & KKC Cenvat Credit pertaining to Railway Siding Project, should not be rejected. A reply to the above show cause notice has been submitted on 06/06/2018. Personal Hearing was conducted on 13/07/2018.</p>	CESTAT, Bangalore	<p>We have received the Order-in-Appeal No.BEL-EXCUS-000-APP-MS-005-19-20 Dated 22/04/2019 passed by the Commissioner (Appeals), Belagavi, rejecting our refund claim of Rs.41,15,409/- by us in respect of Service Tax & KKC Cenvat Credit pertaining to Railway Siding Project. An appeal against the above order has been filed before CESTAT, Bangalore on 16/07/2019.</p>

		<p>We have received the Order-in-Original No.BEL-EXCUS-000-DIVB/ASC/MKK/09/18-19-R Dated 25/07/2018. passed by the Assistant Commissioner, Central Tax, Hospet Division, rejecting our refund claim of Rs.41,15,498/-. An Appeal against the said Order-in-Original has been filed with the Commissioner of Central Tax (Appeals), Belgaum on 25/09/2018. Amount under dispute Rs. 0.41 Crores</p>		
14	KFIL and CESTAT, Bangalore	<p>We have received the Show Cause Notice C.No.V/72/15/17/2018/B1/607/2019 Dt.30/05/2019 issued by the Assistant Commissioner of Central Tax & Central Excise, Hospet GST Division, to show cause as to why the Refund Claim of Rs.34.10 Lakhs filed by us in respect of Service Tax paid on Royalty charges towards the purchase of Iron ore through e-auction should not be rejected. A suitable reply has been submitted on 02/07/2019. Amount under dispute Rs. 0.34 Crores</p>	CESTAT, Bangalore	<p>Personal Hearing was conducted on 01/08/2019 at the officer of the Assistant Commissioner, Hospet GST Division office. Further orders are awaited.</p>
15	KFIL and Asst. Commissioner of Central Tax and Central Excise	<p>We have received the Show Cause Notice No.06/2020-21 Dated 23/09/2020 passed by the Assistant Commissioner, Central Tax, Hospet Division, demanding an amount of Rs.54.45 Lakhs towards re-claim of Krishi Kalyan Cess in Jan-20 and Interest of Rs.3.50 Lakhs stating that KFIL has utilised the irregular Input Tax Credit. A suitable reply was submitted on 30/11/2020. Personal Hearing was conducted by the Assistant Commissioner of Central Tax, Hospet GST Division, on 16/09/2021. The Assistant Commissioner of Central Tax and Central Excise, Hosapete Division has confirmed the demand of KKC of Rs.54,07,638/- vide Order-in-Original No.12/2023-24 Dt.14/11/2023 on the grounds that</p>	<p>Additional/Joint Commissioner of Central Tax (Appeals), Belgaum.</p>	<p>An appeal against the above OIO will be filed within the allowed time period of Three months</p>

Annexure 20

		<p>KKC was not among the 16 taxes which were subsumed under the GST Law and hence credit of such cesses cannot be claimed against the output GST liability. He has also confirmed the demand of Interest of Rs.37,56,659/- @18% on the above amount & Penalty of Rs. 5,44,555/-. We have remitted Rs.54.07 Lacs on 19.08.2023 `Under Protest' and intimated the same vide our letter dated 31/08/2023 to the Assistant Commissioner, reserving the right to re-avail such KKC paid by us if a favourable judgement is passed by the Hon'ble Apex Court in the case of M/S Sutherland Global Service Private Limited. We have also requested to drop the levy of Interest & Penalty initiated in this regard. (Cotigent amount of Rs.97,08,852.00 comprises of KKC Rs.5407638.00 + Interest Rs.3756659.00 + Penalty Rs.544555.00) Amount under dispute Rs. 0.97 Crores</p>		
16	Sales Tax Matters	Revised Returns filed for Jan.'08 to Mar.'08 and claimed refund of excess Input Tax Credit. Amount under dispute Rs. 0.83 Crores	Hon'ble High Court of Karnataka, Dharwad Bench	Date of hearing is awaited.
17	Sales Tax Matters	Non allowing of deduction towards sales return turnover (FY 2017-18)- Differential CST & Interest demanded Amount under dispute Rs. 0.59 Crores	Deputy Commissioner of Commercial Taxes, Ballari	Date of hearing is awaited.

Annexure 20

Sr No	Name of the Parties	Brief Summary	Court/Tribunal/ Investigation	Current Status
18	GST	We have received the Show Cause Notice No.12/2020-21/HBL (GST Audit) Dated 23/06/2021 from the Office of the Commissioner of Central Tax (Audit) Hubli, disputing the Input Tax Credit & demand of GST totaling to Rs.72.91 Lakhs. The Additional Commissioner (Appeals), Belagavi, has issued the Order-in-Appeal No.BGM-JJ-ADC-93-2023-24-GST Dated 21.12.2023 & Form GST-APL-04 confirming the demand of Rs.55.42 Lakhs. The demand pertains to Input Tax Credit availed on construction of Railway Sliding at our factory premises and imposed the Interest of Rs.5.67 Lakhs. He has dropped the demand of Rs.9.55 Lakhs i.e. disputed short-payment of GST on the canteen services rendered to employees along with some other small issues. An appeal against the same will be filed before the Appellate Tribunal within the allowed time period of Three months. Amount under dispute Rs. 0.61 Crores	Appeal will be filed with the GST Appellate Tribunal, Bangalore.	Date of hearing is awaited.
19	Customs	The Assistant Commissioner of Customs, Jaigaon, West Bengal has issued the Demand-cum-Show Cause Notice. No.VIII(23)79/SCN/ Kirloskar-Ferro/Imp/Cus/Jai/2022/501 Dated 06/06/2022 demanding an amount of Rs.4.09 Lakhs alleging the short payment of IGBT by considering the FOB value as CIF Value in respect of Import of Silicon Carbide from Bhutan by Koppal & Solapur Plants of KFIL. Amount under dispute Rs. 0.04 Crores	Asst. Commissioner of Customs, Dinhata Customs Division, Jaigaon, West Bengal	A suitable reply has been submitted on 08/08/2022. Further orders are awaited.
20	Income Tax	Asst.Commissioner of Income Tax, Pune - Assessment Demand for -AY 2005- 06 -- MAT Case Asst.Commissioner of Income Tax, Pune - Assessment Demand for -AY 2007- 08 -- MAT Case Amount under dispute Rs. 8.22 Crores	Hon'ble High Court, Mumbai	Date of hearing is awaited.

Annexure 20

Sr No	Name of the Parties	Brief Summary	Court/Tribunal/ Investigation	Current Status
21	Income Tax	Income Tax demand raised for Nil Tax ie. Nil Demand. -- Assessment Year 2014-15 -- Guest House Expenses Amount under dispute Rs. 0.01 Crores	Asst. Commissioner of Income Tax, Pune	Date of hearing is awaited.
22	Income Tax	Income Tax Demand raised for the AY 2018-19. Depreciation claimed on TG-III - Add back of expenses-- Disallowance of Foreign Exchange Losses. Amount under dispute Rs. 2.44 Crores	Commissioner of Income Tax, (Appeals) Pune	Date of hearing is awaited.
23	Income Tax	Income Tax Demand raised for the AY 2020-21. Orders passed by National Assessment Centre, New Delhi , vide order dated 08.09.2022 -- Creditors written off - added back to income Education Cess deduction claimed was disallowed. Amount under dispute Rs. 0.50 Crores	Commissioner of Income Tax, (Appeals) Pune	Application being filed for rectification of orders.
24	Income Tax	Income Tax Demand raised -- Assessment Year 2021-22 Amount under dispute Rs. 17.53 Crores	Commissioner of Income Tax, (Appeals) Pune	Date of hearing is awaited.
25	Income Tax	Income Tax demand raised for Disallowance of prior period expenses -- Assessment Year 2016-17.	Commissioner of Income Tax, (Appeals) Pune	Date of hearing is awaited.

Sr No	Name of the Parties	Brief Summary	Court/Tribunal/ Investigation	Current Status
26	Provident Fund	<p>EPF Appeal No. ITB/13 / 2017 (Old Appeal No. ATA No.810(6)2015) -- KFIL Vs APFC, Bellary : - Received summons Dated 14-07-2015 from Employees Fund Organisation, Sub-Regional Office, Bellary, for attending the enquiry under Section 7Q of EPF & MP Act, 1952 on belated remittances of dues for the period 2001 to 2005. After the enquiry, PF Authorities have passed an order dtd 14-07-2015 to remit the interest and damages to the tune of Rs.26,98,651/- and Rs.40,20,938/- respectively, within 15 days from the date of receipt of the order. Appeal was filed before the Employees Provident Fund Appellate Tribunal, New Delhi to quash the order of APFC, Bellary. The Hon'ble Tribunal has ordered on 31/07/2015 that Southern Tribunal starts functioning at Bangalore and this case is to be heard before this Tribunal. The hearing of the case was held on 05/05/2016. Amount under dispute Rs. 0.67 Crores</p>	<p>EPF Appellate Tribunal, New Delhi</p>	<p>The said matter came up on 30-08-2017 for admission, and hearing on interim application. The Hon'ble Judge has passed an order - granted stay for the operation of the impugned orders passed by the APFC, Bellary till disposal of this appeal and also allowed our waiver application. The Case is Posted to 21-09-2023 for arguments.</p> <p>The case is further Posted to 25-03-2024 for arguments</p>
27	Karnataka Stamp Act	<p>We have received the Notice No.45E(1)HYR/12/2020-21 Dated 06/01/2022 issued by The District Registrar, Chickaballapur District, Karnataka alleging the short payment of Stamp Duty & Registration Fee of Rs.1.21 Cr. on purchase of VSL Assets and demanded to show cause why the said amount should not be recovered asked us to submit the suitably reply within 21 days from the date of receipt of the Notice. The matter was listed on 16.02.2022 at 3 PM., before the Deputy Inspector General of Registration (enforcement), situated at Kandaya Bhavan, 8th floor, Bengaluru for appearance. The above matter was attended by our Consultants Sri. Kempe Gowda of M/s.ASLF Law Offices, Bangalore, on our behalf.Amount under dispute Rs. 1.21 Crores</p>	<p>Deputy Accountant General, Audit Management Group, Bangalore</p>	<p>The authority taking the objections and the documents on record, expressed that he will go through the objections and would communicate in advance for arguments and accordingly adjourn the above matter without prescribing next date of hearing.</p>

Annexure 21

Details of Assets and Liabilities and Revenue of Kirloskar Ferrous Industries Limited and ISMT Limited
Prior and post the Appointed Date (i.e. 1 April 2023) for the Scheme of Arrangement

(Rs. in Crores)

Particulars	Transferee Company (standalone) as at 31 March 2023	Transferor Company (standalone) as at 31 March 2023	Post Merger as at Appointed Date
ASSETS			
Non-current assets			
Property, plant and equipment	1,601.11	982.32	2,986.44
Capital work-in-progress	151.25	19.08	170.33
Intangible assets	3.20	-	3.20
Intangible assets under development	35.16	-	35.16
Financial assets			
(i) Investments	485.88	56.79	57.82
(ii) Loans	0.23	-	0.23
(iii) Other financial assets	16.58	19.26	35.84
Other non-current asset	51.75	13.96	65.71
Total non-current assets	2,345.16	1,091.41	3,354.73
Current assets			
Inventories	598.80	470.28	1,071.85
Financial assets			
(i) Trade receivables	538.83	327.83	837.32
(ii) Cash and cash equivalents	28.53	25.67	54.20
(iii) Bank balances other than (ii) above	5.36	1.48	6.84
(iv) Loans	1.46	1.18	2.64
(v) Other financial assets	0.53	8.56	9.09
Current tax assets (net)	21.58	-	21.58
Other current assets	66.97	46.29	113.26
Total current assets	1,262.06	881.29	2,116.78
TOTAL ASSETS	3,607.22	1,972.70	5,471.51
EQUITY AND LIABILITIES			
Equity			
Equity share capital	69.48	150.25	69.48
Equity share capital to be issued pursuant to merger	-	-	12.45
Other equity	1,549.02	1,364.56	2,922.85
Total equity	1,618.50	1,514.81	3,004.78
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	369.79	-	369.79
Lease Liabilities	-	5.69	5.69
Provisions	3.71	6.74	10.45
Deferred tax liabilities (Net)	112.77	48.13	206.30
Other non-current liabilities			
Total non-current liabilities	486.27	60.56	592.23
Current liabilities			
Financial liabilities			
(i) Borrowings	517.22	74.65	591.87
(ii) Lease Liabilities	-	1.67	1.67
(iii) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises	18.26	14.19	32.45
- Total outstanding dues of creditors other than micro enterprises and small enterprises	831.66	193.26	999.63
(iv) Other current financial liabilities	103.98	40.71	144.69
Other current liabilities	22.23	47.83	70.06
Provisions	9.10	2.17	11.27
Current tax liability	-	22.85	22.86
Total current liabilities	1,502.45	397.33	1,874.50
Total liabilities	1,988.72	457.89	2,466.73
TOTAL EQUITY AND LIABILITIES	3,607.22	1,972.70	5,471.51

Revenue from Operations for the financial year 2022-2023 as per the Audited Financial Statements are as under :

	(Rs. in Crores)
Kirloskar Ferrous Industries Limited (Standalone)	4,149.42
ISMT Limited (Standalone)	2,561.31
Kirloskar Ferrous Industries Limited (Consolidated)	6,417.45