

**ISMT LIMITED**  
Solutions You Can Trust

ISMT/SEC/21-22

December 06, 2021

Listing Department  
BSE Ltd  
PJ Towers,  
Dalal Street, Fort,  
Mumbai - 400 001  
Scrip Code: 532479

Listing Department  
National Stock Exchange of India Ltd  
Exchange Plaza, Plot No. C/1, G Block,  
BKC, Bandra (E),  
Mumbai - 400 051  
Symbol: ISMTLTD

Dear Sirs,

**Sub: Outcome of Board Meeting**

In pursuance of the SEBI (LODR) Regulations, 2015 (Listing Regulation) please be informed that the Board of Directors at its meeting held today i.e., Monday, December 06, 2021, inter alia, considered the following business:

1. Approved the Un-Audited Financial Results (Standalone & Consolidated) of the Company for the period ended September 30, 2021.

Please find enclosed the aforesaid results along with Auditor's Limited Review Report.

The Board Meeting commenced at 12.30 p.m. and concluded at 4:15 p.m. on December 06, 2021.

Please take the above on your record and oblige.

Thanking you,

Yours faithfully,  
For ISMT Limited

  
Chetan Nathani  
Company Secretary  
Encl.: As above



ISO 9001:2015



ISO 14001:2015

Corporate & Registered Office  
Panama House (Earlier known as Luskad Towers),  
Viman Nagar, Pune - 411 014, India.  
Phone : +91 20 41434100 / 66024901 - 04 | Fax : +91 20 26830779  
www.ismt.com  
CIN : L27109PN1099PLC016417



ISO : 9001:2015



ISO 9001:2015

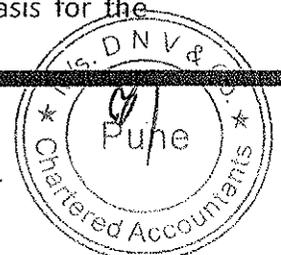
E-mail id: [secretarial@ismt.co.in](mailto:secretarial@ismt.co.in)

Independent Auditor's Review Report on standalone unaudited quarterly and year to date financial results of ISMT Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

To,  
The Board of Directors,  
ISMT Limited.

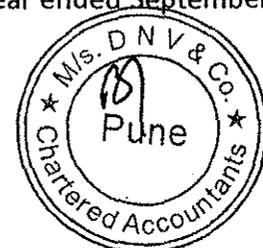
1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of ISMT Limited ("the Company"), for the quarter ended September 30, 2021 and for the year to date period from April 1, 2021 to September 30, 2021 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), which has been initialed by us for the purpose of identification.
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors in their respective meeting held on December 6, 2021 has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 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. 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 specified under section 143 (10) of the Companies Act, 2013 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.
4. **Material Uncertainty Related to Going Concern:**

The Company has accumulated losses and its net worth has been fully eroded, the company has incurred net cash loss during the quarter and half year ended September 30, 2021 and previous years and the company's current liabilities exceeded its current assets as at September 30, 2021. These conditions indicate the existence of a material uncertainty about the Company's ability to continue as a going concern. However, the standalone financial results of the company have been prepared on a going concern basis for the reasons stated in the Note No. 7 of the Statement.



**5. Basis for qualified Conclusion:**

- a) The Company has outstanding Minimum Alternate Tax (MAT) entitlement, classified as Deferred Tax Asset as per "Ind AS- 12- Income Taxes", of Rs. 82.05 Crore as on September 30, 2021. Taking into consideration the loss during the quarter and half year ended September 30, 2021 and carried forward losses under the Income Tax, in our opinion, it is not probable that the MAT entitlement can be adjusted within the specified period against the future taxable profits under the provisions of Income Tax Act 1961. In view of the same, in our opinion, the MAT entitlement cannot be continued to be recognised as an asset in terms of Ind AS-12. Non-writing off of the same has resulted in understatement of loss for the quarter and half year ended September 30, 2021 and overstatement of other equity by Rs .82.05 Crore.
- b) The Company, through its subsidiary, has invested Rs. 48.43 Crore in Structo Hydraulics AB Sweden (SHAB). Net receivables to the company from SHAB against the supplies made is Rs. 8.27 Crore. The Company has received approval from regulatory authorities for conversion into equity of an amount of Rs. 33.33 Crore (USD 5 Million) due from SHAB and out of which Rs. 16.75 Crore has been converted into equity and the balance of Rs. 16.58 Crore is pending for allotment. SHAB has been incurring losses and its net worth is also eroded due to continuing losses. No provision for diminution in value of investment (including pending allotment) and net receivable against supplies is made by the company as explained in Note No.1 of the Statement. We are unable to comment on the same and ascertain its impact, if any, on net loss for the quarter and half year ended September 30, 2021 and other equity as on that date in respect of the above matters.
- c) The Company had recognized claim in earlier years, of which outstanding balance as on September 30, 2021 is Rs. 39.53 Crore, against Maharashtra State Electricity Distribution Company Ltd. (MSEDCL) for non-implementation of Energy Banking Agreement. The Company had appealed to Appellate Tribunal (APTEL) against the order passed by Maharashtra Electricity Regulatory Commission (MERC) and the same has been dismissed by the APTEL. The Company has preferred appeal before the Hon'ble Supreme Court against the order of APTEL. The realization of this claim is contingent and dependent upon the outcome of the decision of the Supreme Court. In our opinion the recognition of above claim, being contingent asset in nature, is not in conformity with "Ind AS-37, Provisions, Contingent liabilities and Contingent assets". Recognition of the above claim has resulted in overstatement of other equity by Rs. 39.53 Crore as at September 30, 2021. Refer Note No. 2(i) of the Statement.
- d) The Company is unable to determine the recoverable value of 40 MW Captive Power Project (CPP) at Chandrapur, Maharashtra for the reasons stated in Note No 2(ii) of the Statement; hence, the CPP is measured as on September 30, 2021 at the carrying amount of Rs. 227.50 Crore and impairment loss, if any, is not recognised as required by Ind AS 36 "Impairment of the Assets". In view of the aforesaid, we are unable to determine the impact of the same, if any, on the net loss for the quarter and half year ended September 30, 2021 and other equity as on that date.



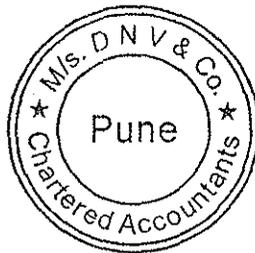
- e) The Pending approval/ sanction of debt restructuring scheme by lenders and balance confirmation from lenders and reconciliation thereof, the Company has not provided for the overdue /penal interest and differential liabilities including such overdue /penal interest and differential liabilities arising from reconciliation of balances to the extent of available confirmation, if any, for the reason stated in Note No 6 of the Statement. The quantum and its impact, if any, on the net loss for the quarter and half year ended September 30, 2021 and other equity on that date is unascertainable.
6. Based on our review conducted and procedure performed as stated in paragraph 3 above with the exception of the matter described in the Basis for Qualified Conclusion in Paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with recognition and management principles laid down in aforesaid Indian Accounting Standard ("IndAS") and other recognized accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, as amended from time to time, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**7. Emphasis of Matters:**

We draw attention to following matters in the Notes to the Statement:

- a) Note No 9 of the statement, regarding remuneration to Managing Director amounting to Rs 0.45 Crore and Rs 0.90 Crore for the quarter and half year ended September 30, 2021 respectively and cumulative up to September 30, 2021 amounting to Rs. 2.49 Crore is subject to approval of Lenders.
- b) Note No 10 of the statement regarding uncertainties arising out of the outbreak of COVID 19 pandemic and the assessment made by the management on its operations and the financial reporting for the quarter and half year ended September 30, 2021. Such an assessment and the outcome of the pandemic, as made by the management, is dependent on the circumstances as they evolve in the subsequent periods.

Our conclusion is not modified in respect of above matters.



For D N V & Co  
Chartered Accountants  
Firm Registration No.: 102079W

CA Bharat Jain  
Partner  
Membership No.: 100583  
UDIN: 21100583AAAAHH7197

Place: Pune

Date: December 6, 2021

ISMT Limited

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

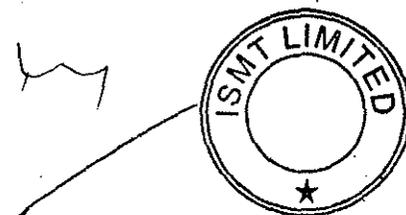
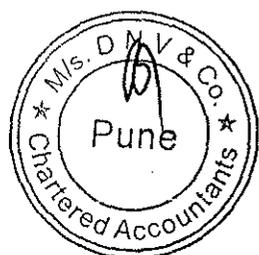
Phone : 020-41434100, Fax : 020-26630779, E-Mail : secretarial@ismt.co.in,

Web : www.ismt.com, CIN : L27109PN1999PLC016417

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021

Rs. in Crore

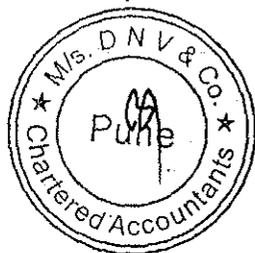
Sr. No	Particulars	Standalone					
		Quarter ended		Half Year ended		Year ended	
		'September 30, 2021	'June 30, 2021	'September 30, 2020	Sept. 30, 2021	Sept. 30, 2020	'March 31, 2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	Income						
	Revenue from Operations						
	Sales of Products	797.41	653.06	400.04	1,450.47	553.22	1,681.70
	Less : Inter Segment Transfers	224.13	160.19	91.12	384.32	141.45	415.99
	Inter Division Transfers	17.32	21.23	15.85	38.55	21.71	48.55
	(a) Net Sales	555.96	471.64	293.07	1,027.60	390.06	1,217.16
	(b) Other Operating Revenue	8.44	5.49	4.21	13.93	5.58	17.51
	(c) Revenue From Operations - ( a+b )	564.40	477.13	297.28	1,041.53	395.64	1,234.67
	(d) Other Income ( Refer Note No 5)	6.41	1.33	8.26	7.74	10.23	43.63
	Total Income - ( c+d )	570.81	478.46	305.54	1,049.27	405.87	1,278.30
2	Expenses						
	(a) Cost of Materials Consumed	344.63	283.63	160.55	628.26	207.75	683.49
	(b) Changes in inventories of finished goods, work -in -progress and stock-in-trade	(9.49)	(19.03)	5.66	(28.52)	10.77	28.92
	(c) Employee Benefits Expense	37.24	37.54	27.77	74.78	57.01	123.94
	(d) Finance Costs	65.77	67.85	65.39	133.62	130.93	262.21
	(e) Depreciation	15.01	14.79	15.46	29.80	31.01	61.28
	(f) Other Expenses	169.93	148.56	104.27	318.49	146.13	416.68
	Total Expenses	623.09	533.34	379.10	1,156.43	583.60	1,576.52
3	Profit / (Loss) before exceptional item and Tax ( 1-2 )	(52.28)	(54.88)	(73.56)	(107.16)	(177.73)	(298.22)
4	Exceptional items :						
	(a) Foreign Exchange (Gain) / Loss	0.39	(0.69)	(4.60)	(0.30)	(5.26)	(5.98)
	(b) Provision for Diminution in Value of Investment ( Refer Note No. 8)	-	-	-	-	-	58.37
5	Profit / (Loss) before tax ( 3-4 )	(52.67)	(54.19)	(68.96)	(106.86)	(172.47)	(350.61)
6	Tax Expenses :						
	(a) Current Tax	-	-	-	-	-	-
	(b) Earlier Years Tax	-	(0.07)	-	(0.07)	-	0.10
	(c) Deferred Tax ( Refer Note No. 4 )	-	-	-	-	-	-
7	Profit / (Loss) after tax ( 5-6 )	(52.67)	(54.12)	(68.96)	(106.79)	(172.47)	(350.71)
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 ( net of tax)	(3.33)	0.13	0.15	(3.20)	(0.53)	0.53
	(b) Items that will be reclassified to Profit or Loss	-	-	-	-	-	-
	Other Comprehensive Income (Net of tax) (a+b)	(3.33)	0.13	0.15	(3.20)	(0.53)	0.53
9	Total Comprehensive Income for the period ( 7+8 )	(56.00)	(53.99)	(68.81)	(109.99)	(173.00)	(350.18)
10	Paid-up Equity Share Capital (Face Value of Rs. 5/- per share)	73.25	73.25	73.25	73.25	73.25	73.25
11	Reserves Excluding Revaluation Reserve	-	-	-	-	-	(1,676.47)
12	Earnings per share						
	Basic & Diluted Earnings per share of Rs.5/- each (Rs.) (not annualised)	(3.60)	(3.69)	(4.71)	(7.29)	(11.77)	(23.94)



## SEGMENT WISE STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021

		Rs. in Crore					
		Standalone					
		Quarter ended		Half Year ended		Year ended	
Sr No	Particulars	September 30, 2021	June 30, 2021	September 30, 2020	Sept. 30, 2021	Sept. 30, 2020	March 31, 2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1</b>	<b>Segment Revenue</b>						
	a) Gross Sales – Tube	378.66	303.63	231.36	682.29	314.93	846.10
	Less : Inter Division	17.32	21.23	15.85	38.55	21.71	48.55
	<b>Sub total</b>	<b>361.34</b>	<b>282.40</b>	<b>215.51</b>	<b>643.74</b>	<b>293.22</b>	<b>797.55</b>
	b) Gross Sales – Steel	418.75	349.43	168.68	768.18	238.29	835.60
	Less : Inter Segment	224.13	160.19	91.12	384.32	141.45	415.99
	<b>Sub total</b>	<b>194.62</b>	<b>189.24</b>	<b>77.56</b>	<b>383.86</b>	<b>96.84</b>	<b>419.61</b>
<b>2</b>	<b>Total Segment Revenue</b>	<b>555.96</b>	<b>471.64</b>	<b>293.07</b>	<b>1,027.60</b>	<b>390.06</b>	<b>1,217.16</b>
	<b>Segment Results</b>						
	Profit / ( Loss) after Depreciation and Before Finance Costs & Exceptional Items, Unallocable Income (net) and Tax.						
	a) Tube	7.99	3.36	(7.78)	11.35	(30.25)	(33.18)
	b) Steel *	10.87	16.95	(5.96)	27.82	(21.82)	(12.12)
	Total	18.86	20.31	(13.74)	39.17	(52.07)	(45.30)
	Less : Finance Costs	65.77	67.85	65.39	133.62	130.93	262.21
	: Exceptional Items - Foreign Exchange ( Gain) / Loss	0.39	(0.69)	(4.60)	(0.30)	(5.26)	(5.98)
	: Provision for Diminution in Value of Investment ( Refer Note No. 8)	-	-	-	-	-	58.37
	Add : Unallocable Income ( Net of Unallocable Expenses)	(5.37)	(7.34)	5.57	(12.71)	5.27	9.29
	<b>Total Profit / ( Loss) Before Tax</b>	<b>(52.67)</b>	<b>(54.19)</b>	<b>(68.96)</b>	<b>(106.86)</b>	<b>(172.47)</b>	<b>(350.61)</b>
	Less : Tax Expenses						
	Current Tax	-	-	-	-	-	-
	Earlier years Tax	-	(0.07)	-	(0.07)	-	0.10
	Deferred Tax (Refer Note No.4)	-	-	-	-	-	-
<b>3</b>	<b>Total Profit / ( Loss) After Tax</b>	<b>(52.67)</b>	<b>(54.12)</b>	<b>(68.96)</b>	<b>(106.79)</b>	<b>(172.47)</b>	<b>(350.71)</b>
	<b>Capital Employed</b>						
	<b>Segment Assets</b>						
	a) Tube	1,398.68	1,354.50	1,314.45	1,398.68	1,314.45	1,325.00
	b) Steel	484.97	478.24	406.11	484.97	406.11	459.16
	c) Unallocable	565.58	582.00	631.89	565.58	631.89	555.03
	<b>Total Assets</b>	<b>2,449.23</b>	<b>2,414.74</b>	<b>2,352.45</b>	<b>2,449.23</b>	<b>2,352.45</b>	<b>2,339.19</b>
	<b>Segment Liabilities</b>						
	a) Tube	135.39	123.28	108.06	135.39	108.06	113.77
	b) Steel	193.44	164.14	49.12	193.44	49.12	113.62
	c) Unallocable	3,642.77	3,593.69	3,430.47	3,642.77	3,430.47	3,524.18
	<b>Total Liabilities</b>	<b>3,971.60</b>	<b>3,881.11</b>	<b>3,587.65</b>	<b>3,971.60</b>	<b>3,587.65</b>	<b>3,751.57</b>

\* Includes profit on steel captively consumed by Tube Segment

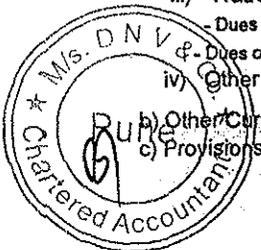


## ISMT LIMITED

## STANDALONE STATEMENT OF ASSETS AND LIABILITIES

Rs. In Crore

Particulars	Standalone	
	As at September 30, 2021	As at March 31, 2021
	Unaudited	Audited
<b>A ASSETS</b>		
<b>1 Non - Current Assets</b>		
a) Property, Plant and Equipment	1,273.15	1,282.92
b) Capital Work-in-Progress	2.76	12.23
c) Financial Assets		
i) Investments	142.44	142.25
ii) Trade Receivables	-	-
iii) Loans	7.01	7.56
iv) Other Financial Assets	11.46	20.33
d) Deferred Tax Asset ( Net)	82.05	82.05
e) Other Non Current Assets	49.93	54.83
<b>Sub Total</b>	<b>1,568.80</b>	<b>1,602.17</b>
<b>2 Current Assets</b>		
a) Inventories	416.02	351.56
b) Financial Assets		
i) Trade Receivables	344.23	284.92
ii) Cash and Cash Equivalents	57.64	30.31
iii) Bank Balance Other than (ii) above	4.49	8.55
iv) Loans	1.33	0.96
v) Other Financial Assets	10.83	10.83
c) Current Tax Assets ( Net)	1.93	1.35
d) Other Current Assets	43.96	48.54
<b>Sub Total</b>	<b>880.43</b>	<b>737.02</b>
<b>Total Assets</b>	<b>2,449.23</b>	<b>2,339.19</b>
<b>B EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
a) Equity Share Capital	73.25	73.25
b) Other Equity	(1,595.62)	(1,485.63)
<b>Total Equity</b>	<b>(1,522.37)</b>	<b>(1,412.38)</b>
<b>LIABILITIES</b>		
<b>1 NON-CURRENT LIABILITIES</b>		
a) Financial Liabilities		
i) Borrowings	16.56	65.68
ii) Lease Liabilities	3.15	2.38
iii) Other Financial Liabilities	-	-
b) Provisions	9.60	7.75
c) Other Non Current Liabilities	-	-
<b>Sub Total</b>	<b>29.31</b>	<b>75.81</b>
<b>2 CURRENT LIABILITIES</b>		
a) Financial Liabilities		
i) Borrowings	992.52	998.37
ii) Lease Liabilities	1.35	1.53
iii) Trade Payables		
- Dues of Micro & Small Enterprises	16.67	16.16
- Dues of Creditors other than Micro & Small Enterprises	199.18	114.19
iv) Other financial Liabilities	2,700.25	2,519.55
b) Other Current Liabilities	23.22	23.22
c) Provisions	9.10	2.74
<b>Sub Total</b>	<b>3,942.29</b>	<b>3,675.76</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,449.23</b>	<b>2,339.19</b>



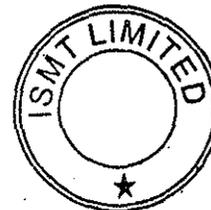
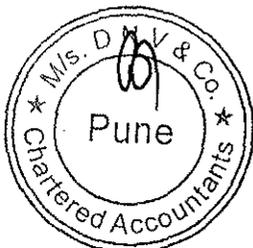
## ISMT LIMITED

## STANDALONE CASH FLOW STATEMENT

Rs. in Crore

	For the period ended September 30, 2021	For the period ended September 30, 2020
	Unaudited	Unaudited
<b>i) CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit / ( Loss ) Before Tax	(106.86)	(172.47)
Adjustments for :		
Depreciation	29.80	31.01
Finance Costs	133.62	130.93
Interest Income	(2.30)	(3.73)
Excess Provision written back	(4.62)	-
Provision for Doubtful debts/others	13.16	-
Provision for Expect credit loss	0.51	-
Unrealised Exchange (Gain) / Loss	1.03	(6.85)
	<b>171.20</b>	<b>151.36</b>
<b>Operating Cash Profit before Working Capital Changes</b>	<b>64.34</b>	<b>(21.11)</b>
Adjustments for working capital changes:		
(Increase) / Decrease in trade receivable	(67.58)	29.74
(Increase) / Decrease in Inventories	(64.45)	34.04
(Increase) / Decrease in other non current financial assets	8.87	(15.01)
(Increase) / Decrease in non current loans	0.55	(0.51)
(Increase) / Decrease in other non current assets	(0.18)	0.27
(Increase) / Decrease in current loans	(0.38)	0.26
(Increase) / Decrease in other current financial assets	(0.17)	(0.13)
(Increase) / Decrease in other current assets	4.58	(5.00)
Increase / (Decrease) in trade payables	85.68	(21.05)
Increase / (Decrease) in other current financial liabilities	11.94	(1.46)
Increase / (Decrease) in other current liabilities	0.00	5.29
Increase / (Decrease) in current provisions	6.37	(0.38)
Increase / (Decrease) in non current provisions	(1.34)	0.90
	<b>(16.11)</b>	<b>26.96</b>
Taxes (Paid) / Refund	<b>(0.51)</b>	<b>0.79</b>
<b>Net Cash flow from Operating Activities</b>	<b>47.72</b>	<b>6.64</b>
<b>ii) CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Property, Plant and Equipment	(7.65)	(1.52)
Other Bank balance not considered as cash and cash equivalent	4.06	19.05
Interest received	2.47	3.44
Investments	(0.19)	(0.19)
<b>Net Cash used in Investing Activities</b>	<b>(1.31)</b>	<b>20.78</b>
<b>iii) CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from / (Repayment of) Borrowings	(14.88)	(10.57)
Payment of Lease Liability	(1.28)	(1.46)
Interest Paid	(2.92)	(1.78)
<b>Net Cash from Financing Activities</b>	<b>(19.08)</b>	<b>(13.81)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>27.33</b>	<b>13.61</b>
Cash and Cash Equivalents at the beginning of the year	30.31	28.03
Cash and Cash Equivalents at the end of the period	57.64	41.64
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>27.33</b>	<b>13.61</b>

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



**NOTES ON STANDALONE UN AUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021.**

1. The Company through its Subsidiary Company, ISMT Enterprises S.A., Luxembourg has invested Rs. 48.43 Crore 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 Crore (USD 5 Million) due from SHAB, out of which Rs. 16.75 Crore has been converted into equity and the balance of Rs. 16.58 Crore is pending allotment. The net receivables on account of sales made to SHAB as on September 30, 2021 are Rs. 8.27 Crore and the same is considered as collectible. COVID has impacted businesses across the globe including Europe. No provision, however, has been made as required by Ind AS 36 "Impairment of Assets" in respect of diminution in the value of investment (including pending allotment), which is in the nature of forward integration and considered Strategic, Long Term. The financial effect, if any, of the same on net loss for the quarter and half year ended September 30, 2021, is not ascertainable.
2. i) Maharashtra Electricity Regulatory Commission (MERC) had disallowed Company's petition regarding banking of energy facility under Energy Banking Agreement (EBA) vide its orders dated June 20, 2014 and January 12, 2015. The Company filed an appeal before the Appellate Tribunal For Electricity (APTEL) against the said order which was dismissed by the APTEL vide their order dated April 1, 2016. The Company's appeal, challenging the APTEL order is pending before the Hon'ble Supreme Court. The Company had accrued EBA benefit aggregating to Rs. 49.97 Crore upto March 31, 2014, of which amount outstanding as on September 30, 2021 is Rs. 39.53 Crore, representing excess energy charges paid to Maharashtra State Electricity Distribution Company Limited (MSEDCL) on account of non-availability of banking of energy facility. There has been no further accrual since April 1, 2014 on account of suspension of operation of power plant.  
  
Being a sub-judice matter, it is not possible to reasonably or reliably determine the recoverable amount; hence the receivable from MSEDCL is measured as at September 30, 2021 at the carrying amount of Rs.39.53 Crore. The financial effect, if any, of the same on net loss for the quarter and half year ended September 30, 2021, is not ascertainable.  
  
ii) Considering prevailing uncertainties of operating the 40 MW Captive Power Plant (CPP) at Chandrapur, Maharashtra or disposing it as going concern or otherwise and pending outcome of supreme court decision as referred above, it is not possible to reasonably or reliably determine the recoverable amount and consequently to ascertain whether there is any impairment of the CPP as required by Ind AS 36 "Impairment of Assets". The Company has been taking adequate steps for maintaining the equipment to preserve the value. Hence the aforesaid asset is measured as at September 30, 2021 at the carrying amount of Rs 227.50 Crore. The financial effect, if any, of the same on net loss for the quarter and half year ended September 30, 2021 is not ascertainable.
3. As per Ind AS- 12 "Income Taxes", Minimum Alternate Tax (MAT) credit (unused tax credit) is regarded as Deferred Tax Assets and the same shall be recognised to the extent that it has become probable that future taxable profit will be available against which the unused tax credit can be utilised. In view of Business uncertainties and pending debt Resolution, it is difficult for the Company to fairly ascertain the probable future taxable profit against which MAT Credit can be utilized. Accordingly, the unabsorbed MAT credit, if any, out of the total MAT Credit of Rs. 82.05 Crore as at September 30, 2021, shall be charged in the Statement of Profit and Loss to the extent it lapses in the respective years and subject to review of the same once the Company opts for options permitted under section 115BAA of the Income Tax Act, 1961.
4. Deferred Tax Asset in respect of carried forward losses is recognized to the extent of Deferred Tax Liability.
5. Other Income for the year ended March 31, 2021 includes: i) Provisions / Payables no longer required - written back Rs. 22.08 Crore. ii) Insurance Claim Rs. 4.38 Crore. iii) Reversal of Expected Credit Loss Rs. 3.69 Crore. iv) Refund of Managerial Remuneration Rs. 5.04 Crore.



6. The Banks had pursued various schemes for Debt Resolution - the Banks initially contemplated restructuring which was approved by JLM but could not be concluded at Banks end. The Banks then opted for OSDR and despite successful conclusion of the OSDR resulting in identification of the investor, OSDR could not be implemented due to RBI Circular dated February 12, 2018 scrapping all their schemes for stressed assets. The Banks then agreed to take up assignment of debt as Resolution Plan in terms of the aforesaid Circular, pursuant to which bulk of Bank Debt was assigned to Asset Reconstructing Companies (ARCs). Accordingly, balance unresolved Bank Debt amounts to about 25 % of Total Debt. Assignment of further debt could not be implemented due to outbreak of Covid in March 2020. The Company is now proposing to raise equity and debt towards resolution of debt by way of a One Time Settlement and accordingly the Company has signed a "Share Subscription Agreement" and an "Unsecured Loan Agreement" with Kirloskar Ferrous Industries Limited on November 25, 2021.

Lenders of the company had signed Inter Creditor Agreement as per the RBI guidelines for resolution of the debt of the Company on sustainable basis including inter alia waiver of overdue/ penal / compound interest. The Company has continued to make payments to lenders as mutually agreed. Pending Restructuring, the amounts paid are being adjusted against the Principal outstanding of respective lenders and will be finally adjusted as per the terms of the restructuring.

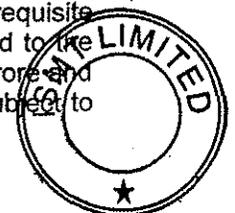
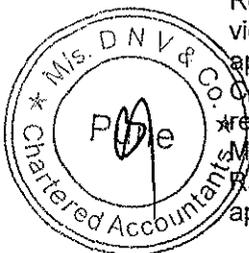
Notwithstanding the pending restructuring of debt and balance confirmations from banks, interest on the loans has been provided as per the terms of sanction of the respective banks on simple interest basis (excluding overdue / penal and compounding of interest). The financial effect, if any of non provision of overdue / penal and compounding of interest, on net loss for the quarter and half year ended September 30, 2021, is not ascertainable.

7. Despite the net loss, the Company has always been operationally profitable (positive EBIDTA). The Company's operations and revenue during the current quarter has improved and EBIDTA for the current quarter has also increased over the preceding quarters. The Company also benefits from Atmanirbhar policies of the Government including continuation of Anti Dumping Duty on import of seamless tubes from China. Debt resolution as mentioned in Note No.6 herein above is inter alia expected to address the negative net worth of the Company thereby enlarging the business opportunities including participation in Government tenders. Accordingly the Company has continued to prepare its financial results on 'Going Concern Basis'.
8. Tridem Port and Power Company Private Limited (TPPCL), the 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. TPPCL had obtained the approvals for the projects including acquisition of land but no construction activity had commenced. However, on account of subsequent adverse developments, the TPPCL had decided not to pursue these projects. The COVID pandemic is expected to have wide ranging long term impact on project activity and greenfield projects like TPPCL's would be particularly affected.

TPPCL has obtained project valuation report from independent valuer for determining the value of the project and recoverable amount thereof as at March 31, 2021 for assessment of impairment loss, if any, as required by Ind AS 36 "Impairment of Assets"

Considering present status of the project, prevailing power sector scenario, long lasting impact of Covid pandemic on the project, it is not possible to reasonably or reliably determine the recoverable amount. Nevertheless after due consideration by the Board of the Company notwithstanding the uncertainties has on best possible estimate basis and after considering the valuation referred to in the preceding paragraph made provision for impairment loss of Rs.58.37 Crore of the amount invested in TPPCL as at March 31, 2021 as per Ind AS 36 "Impairment of Assets". The same is disclosed as "Exceptional Item" in the standalone audited financial results for the year ended March 31, 2021.

9. The Company had in the past obtained Central Government/ lenders approval for payment of Managerial Remuneration from time to time. Subsequently, the Ministry of Corporate Affairs had done away with the requirement of obtaining Central Government approval and the Managerial Remuneration is determined as per the approvals obtained from the shareholders. However, in view of inordinate delay in debt resolution on account of COVID and otherwise, requisite approvals / NOC from lenders are still awaited. Pending the same, the Managing Director of the Company has in compliance of Section 197 of the Companies Act, refunded the requisite remuneration. Employee Benefits Expense includes remuneration provided and not paid to the Managing Director for the quarter and half year ended September 30, 2021 of Rs.0.45 Crore and Rs.0.90 Crore respectively (Rs.2.49 Crore cumulative up to September 30, 2021) is subject to approval of lenders.



10. The outbreak of corona virus (COVID-19) pandemic globally has caused significant disturbance and slowdown of economic activity. The Company's operations and revenue during the current quarter has improved, yet the full impact of COVID-19 is not ascertainable. The Company continues to closely monitor the developments and possible effects that may result from current pandemic, on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation. The full assessment of the impact of the same on the Company and SHAB's operations, CPP and on Port and Power Project (TPPCL) will be only possible once the pandemic settled down and the eventual impact may be different from the estimates made as of the date of approval of these unaudited standalone financial results.
11. The comparative figures have been regrouped and reclassified to meet the current quarter's / years classification.
12. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on December 06, 2021.

Place: Pune  
Date: December 06, 2021



**For ISMT Limited**

A handwritten signature in black ink, appearing to be "Rajiv Goel".

Rajiv Goel

Whole-time Director & Chief Financial Officer

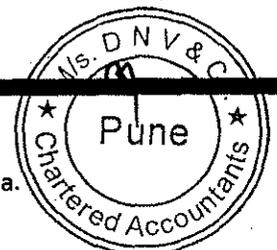


**Independent Auditor's Review Report on consolidated unaudited quarterly and year to date financial results of ISMT Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended**

**The Board of Directors,  
ISMT Limited.**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of ISMT Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended September 30, 2021 and for the year to date period from April 1, 2021 to September 30, 2021 ("the Statement") being submitted by the Parent Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), which has been initialled by us for the purpose of identification.
2. This Statement, which is the responsibility of the Parent Company's management and approved by the Parent's Board of Directors in their respective meeting held on December 6, 2021 has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 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. A review of interim financial information consists of making inquiries, primarily of Parent's personnel 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 specified under section 143 (10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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



4. The Statement includes the results of the following entities:

• List of Subsidiaries:

ISMT Enterprises S.A Luxembourg, Structo Hydraulics AB Sweden, ISMT Europe AB Sweden, Tridem Port and Power Company Private Limited., Nagapattinam Energy Private Limited., Best Exim Private Limited., Success Power and Infraprojects Private Limited, Marshal Microware Infrastructure Development Company Private Limited., PT ISMT Resources, Indonesia, Indian Seamless Inc. USA.

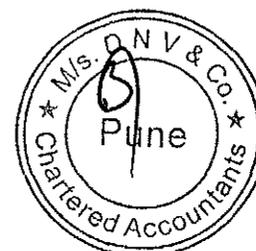
5. **Material Uncertainty Related to Going Concern:**

The Group has accumulated losses and its net worth has been fully eroded, the Group has incurred net cash loss during the quarter and half year ended September 30, 2021 and previous years and the Group's current liabilities exceeded its current assets as at the balance sheet date. These conditions indicate the existence of a material uncertainty about the Group's ability to continue as a going concern. However, the consolidated financial result of the Group have been prepared on a going concern basis for the reasons stated in the Note No 7 of the statement.

6. **Basis for qualified Conclusion:**

a) The Parent Company has outstanding Minimum Alternate Tax (MAT) entitlement, classified as Deferred Tax Asset as per Ind AS- 12, Income Taxes, of Rs. 82.05 Crore as on September 30, 2021. Taking into consideration the loss during the quarter and half year ended September 30, 2021 and carried forward losses under the Income Tax, in our opinion, it is not probable that the MAT entitlement can be adjusted within the specified period against the future taxable profits under the provisions of Income Tax Act 1961. In view of the same, in our opinion, the MAT entitlement cannot be continued to be recognised as an asset in terms of Ind AS-12. Non-writing off of the same has resulted in understatement of consolidated net loss for the quarter and half year ended September 30, 2021 and overstatement of other equity by Rs.82.05 Crore.

b) The Parent Company, through its subsidiary, had made investment in Structo Hydraulics AB Sweden (SHAB) and recognised Goodwill on Consolidation of Rs 23.48 Crore. SHAB has been incurring losses and its net worth is also eroded due to continuing losses. No provision for impairment has been made in respect of Goodwill on Consolidation by the Group in accordance with Ind AS 36 "Impairment of Assets" for the reasons stated in Note No.1 of the Consolidated financial results. We are unable to comment on the same and ascertain its impact, if any, on consolidated net loss for the quarter and half year ended September 30, 2021, carrying value of Goodwill on Consolidation and other equity as on that date in respect of the above matters.



c) The Parent Company had recognized claim in earlier years, of which outstanding balance as on September 30, 2021 is Rs. 39.53 Crore, against Maharashtra State Electricity Distribution Company Ltd. (MSEDCL) for non-implementation of Energy Banking Agreement. The Parent Company had appealed to Appellate Tribunal (APTEL) against the order passed by Maharashtra Electricity Regulatory Commission (MERC) and the same has been dismissed by the APTEL. The Parent Company has preferred appeal before the Hon'ble Supreme Court against the order of APTEL. The realization of this claim is contingent and dependent upon the outcome of the decision of the Supreme Court. In our opinion the recognition of above claim, being contingent asset in nature, is not in conformity with Ind AS-37, "Provisions, Contingent liabilities and Contingent assets". Recognition of the above claim has resulted in overstatement of other equity by Rs.39.53 Crore as at September 30, 2021. Refer Note No. 2 (i) of the Statement.

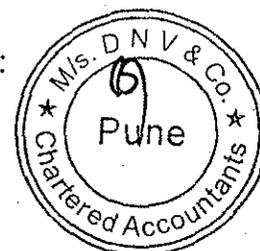
d) The Group is unable to determine the recoverable value of 40 MW Captive Power Project (CPP) at Chandrapur, Maharashtra for the reasons stated in Note No 2 (ii) of the Statement; hence, the CPP is measured as on September 30, 2021 at the carrying amount of Rs. 227.50 Crore and impairment loss, if any, is not recognised as required by Ind AS 36 "Impairment of the Assets". In view of the aforesaid, we are unable to determine the impact of the same, if any, on the consolidated net loss for the quarter and half year ended September 30 2021 and other equity as on that date.

e) Pending approval/ sanction of debt restructuring scheme by lenders and balance confirmation from lenders and reconciliation thereof, the Company has not provided for the overdue /penal interest and differential liabilities including such overdue /penal interest and differential liabilities arising from reconciliation of balances to the extent of available confirmation, if any, for the reason stated in Note No 5 of the Statement. The quantum and its impact, if any, on the consolidated net loss for the quarter and half year ended September 30 2021 and other equity as on that date is unascertainable.

7. Based on our review conducted and procedure performed as stated in paragraph 3 above, with the exception of the matter described in the Basis for Qualified Conclusion Paragraph 6 above, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with recognition and management principles laid down in aforesaid Indian Accounting Standard ("Ind AS") and other recognized accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**8. Emphasis of Matters:**

We draw attention to the following matters in the Notes to the Statement:



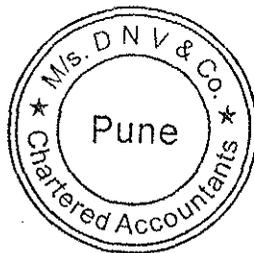
- a) Note No. 9 of the statement, regarding remuneration to Managing Director of the Parent company amounting to Rs 0.45 Crore and Rs 0.90 Crore for the quarter and half year ended September 30, 2021 respectively and cumulative up to September 30, 2021 amounting to Rs. 2.49 Crore is subject to approval of Lenders.
- b) Note No 10 of the statement regarding the uncertainties arising out of the outbreak of COVID 19 pandemic and the assessment made by the management on its operations and the financial reporting for the quarter and half year ended September 30, 2021. Such an assessment and the outcome of the pandemic, as made by the management, is dependent on the circumstances as they evolve in the subsequent periods.

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

**9. Other Matters:**

The consolidated unaudited financial results include the interim financial information/ financial results of ten subsidiaries which have not been reviewed/audited by their auditors, whose unaudited interim financial information/ financial results reflect total assets of Rs 246.81 Crore as on September 30, 2021, total revenue of Rs. 17.81 Crore and Rs. 37.69 Crore and total net profit/(loss) after tax of Rs. 0.37 Crore and Rs (0.45) Crore and total comprehensive Loss of 0.08 Crore and Rs 0.46 Crore for the quarter and half year ended September 30, 2021, respectively and net cash inflow/(outflow)of Rs 4.38 Crore for the half year ended September 30, 2021 as considered in the statement. These unaudited financial information/ financial results have been approved and furnished to us by the management. Our conclusion, in so far as it relates to the affairs of these subsidiaries, is based solely on such unaudited financial information/ financial results. According to the information and explanations given to us by the Management, these interim financial information / financial results are not material to the Group.

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



For D N V & Co  
Chartered Accountants  
Firm Registration No.: 102079W

A handwritten signature in black ink, appearing to read "Bharat Jain".

CA Bharat Jain  
Partner  
Membership No.: 100583  
UDIN: 21100583AAAAHI9431

Place: Pune  
Date: December 6, 2021

ISMFT Limited

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

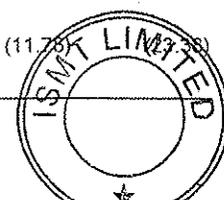
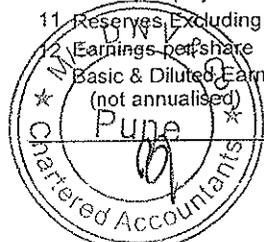
Phone : 020-41434100, Fax : 020-26630779, E-Mail : secretarial@ismft.co.in,

Web : www.ismft.com, CIN : L27109PN1999PLC016417

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021

Rs. in Crore

Sr. No	Particulars	Consolidated					
		Quarter ended		Half Year ended		Year ended	
		Sept. 30, 2021	June 30, 2021	Sept. 30, 2020	Sept. 30, 2021	Sept. 30, 2020	March 31, 2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	Income						
	Revenue from Operations						
	Sales of Products	813.10	670.45	416.09	1,483.55	578.85	1,736.63
	Less : Inter Segment Transfers	224.13	160.19	91.12	384.32	141.45	415.99
	Inter Division Transfers	17.32	21.23	15.85	38.55	21.71	48.55
	Sale to Subsidiary Company	13.07	15.31	11.10	28.38	12.46	37.95
	(a) Net Sales	558.58	473.72	298.02	1,032.30	403.23	1,234.14
	(b) Other Operating Revenue	8.49	5.54	4.23	14.03	5.60	17.61
	(c) Revenue From Operations - ( a+b )	567.07	479.26	302.25	1,046.33	408.83	1,251.75
	(d) Other Income ( Refer Note No. 6 )	6.54	1.82	8.67	8.36	12.03	47.87
	Total Income - ( c+d )	573.61	481.08	310.92	1,054.69	420.86	1,299.62
2	Expenses						
	(a) Cost of Materials Consumed	344.92	282.59	163.12	627.51	218.24	692.01
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(10.16)	(18.21)	6.35	(28.37)	10.71	30.14
	(c) Employee Benefits Expense	39.39	40.54	29.71	79.93	61.36	133.66
	(d) Finance Costs	65.89	67.97	65.49	133.86	131.14	262.65
	(e) Depreciation	15.65	15.43	16.13	31.08	32.35	64.00
	(f) Other Expenses	165.18	149.01	104.15	314.19	146.43	410.14
	Total Expenses	620.87	537.33	384.95	1,158.20	600.23	1,592.60
3	Profit / (Loss) before Exceptional Items and tax ( 1-2 )	(47.26)	(56.25)	(74.03)	(103.51)	(179.37)	(292.98)
4	Exceptional items -						
	(a) Foreign Exchange (Gain) / Loss	0.28	(0.54)	(6.14)	(0.26)	(6.74)	(8.93)
	(b) Provision for Impairment in Vale of Project (Refer Note No. 8)	-	-	-	-	-	58.37
5	Profit / (Loss) before tax (3- 4)	(47.54)	(55.71)	(67.89)	(103.25)	(172.63)	(342.42)
6	Tax Expenses :						
	(a) Current Tax	-	-	-	-	-	-
	(b) Earlier years Tax	-	0.02	-	0.02	-	0.10
	(c) Deferred Tax (Refer Note No.4)	-	-	-	-	-	-
7	Profit / ( Loss) after tax ( 5- 6 )	(47.54)	(55.73)	(67.89)	(103.27)	(172.63)	(342.52)
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 ( net of tax)	(3.33)	0.13	0.15	(3.20)	(0.53)	0.53
	(b) Items that will be reclassified to Profit or Loss						
	Foreign Currency Translation Reserve	(0.44)	0.43	0.17	(0.01)	0.14	(1.56)
	Other Comprehensive Income (Net of tax) (a+b)	(3.77)	0.56	0.32	(3.21)	(0.39)	(1.03)
9	Total Comprehensive Income for the period ( 7+8)	(51.31)	(55.17)	(67.57)	(106.48)	(173.02)	(343.55)
	Profit / ( Loss) attributable to :						
	Equity Shareholders of Parent	(47.55)	(55.72)	(67.88)	(103.27)	(172.62)	(342.51)
	Non Controlling Interest	0.01	(0.01)	(0.01)	-	(0.01)	(0.01)
	Other Comprehensive Income attributable to :						
	Equity Shareholders of Parent	(3.76)	0.55	0.32	(3.21)	(0.40)	(1.04)
	Non Controlling Interest	(0.01)	0.01	-	-	0.01	0.01
	Total Comprehensive Income attributable to :						
	Equity Shareholders of Parent	(51.31)	(55.16)	(67.56)	(106.48)	(173.02)	(343.55)
	Non Controlling Interest	-	(0.01)	(0.01)	-	-	-
10	Paid-up Equity Share Capital (Face Value of Rs. 5/- per share)	73.25	73.25	73.25	73.25	73.25	73.25
11	Reserves, Excluding Revaluation Reserve	-	-	-	-	-	(1,725.37)
12	Earnings per share						
	Basic & Diluted Earnings per share of Rs.5/- each (Rs.)	(3.25)	(3.80)	(4.63)	(7.05)	(11.79)	(11.79)
	(not annualised)						

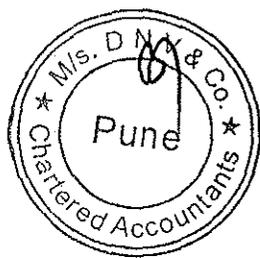


## ISMT Limited

## SEGMENT WISE CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021.

Sr No	Particulars	Rs. in Crore					
		Consolidated					
		Quarter ended		Half Year ended	Year ended		
	Sept. 30, 2021	June 30, 2021	Sept. 30, 2020	Sept. 30, 2021	Sept. 30, 2020	March 31, 2021	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
<b>1</b>	<b>Segment Revenue</b>						
	a) Gross Sales – Tube	394.35	321.02	247.42	715.37	340.57	901.03
	Less : Inter Division	17.32	21.23	15.85	38.55	21.71	48.55
	: Sale to Subsidiary Company	13.07	15.31	11.10	26.38	12.46	37.95
	<b>Sub total</b>	<b>363.96</b>	<b>284.48</b>	<b>220.47</b>	<b>648.44</b>	<b>306.40</b>	<b>814.53</b>
	b) Gross Sales – Steel	418.75	349.43	168.67	768.18	238.28	835.60
	Less : Inter Segment	224.13	160.19	91.12	384.32	141.45	415.99
	<b>Sub total</b>	<b>194.62</b>	<b>189.24</b>	<b>77.55</b>	<b>383.86</b>	<b>96.83</b>	<b>419.61</b>
<b>2</b>	<b>Total Segment Revenue</b>	<b>558.58</b>	<b>473.72</b>	<b>298.02</b>	<b>1,032.30</b>	<b>403.23</b>	<b>1,234.14</b>
	<b>Segment Results</b>						
	Profit / ( Loss) after Depreciation and Before Finance Costs & Exceptional items, Unallocable income (net) and Tax.						
	a) Tube	8.72	2.97	(9.84)	11.69	(31.21)	(34.14)
	b) Steel *	10.87	16.95	(5.96)	27.82	(21.82)	(12.12)
	<b>Total</b>	<b>19.59</b>	<b>19.92</b>	<b>(15.80)</b>	<b>39.51</b>	<b>(53.03)</b>	<b>(46.26)</b>
	Less : Finance Costs	65.89	67.97	65.49	133.86	131.14	262.65
	: Exceptional items						
	- Foreign Exchange ( Gain) / Loss	0.28	(0.54)	(6.14)	(0.26)	(6.74)	(8.93)
	- Provision for Impairment in Value of Project ( Refer Note No. 8)						58.37
	Add : Unallocable Income ( Net of Unallocable Expenses)	(0.96)	(8.20)	7.26	(9.16)	4.80	15.93
	<b>Total Profit / ( Loss) Before Tax</b>	<b>(47.54)</b>	<b>(55.71)</b>	<b>(67.89)</b>	<b>(103.25)</b>	<b>(172.63)</b>	<b>(342.42)</b>
	Less : Tax Expenses						
	Current Tax	-	-	-	-	-	-
	Earlier years	-	0.02	-	0.02	-	0.10
	Deferred Tax (Refer Note No. 4)	-	-	-	-	-	-
	<b>Total Profit / ( Loss) After Tax</b>	<b>(47.54)</b>	<b>(55.73)</b>	<b>(67.89)</b>	<b>(103.27)</b>	<b>(172.63)</b>	<b>(342.52)</b>
<b>3</b>	<b>Capital Employed</b>						
	<b>Segment Assets</b>						
	a) Tube	1,426.29	1,379.06	1,342.02	1,426.29	1,342.02	1,351.80
	b) Steel	484.97	478.25	406.11	484.97	406.11	459.16
	c) Unallocable	507.26	523.77	418.53	507.26	418.53	496.91
	<b>Total Assets</b>	<b>2,418.52</b>	<b>2,381.08</b>	<b>2,166.66</b>	<b>2,418.52</b>	<b>2,166.66</b>	<b>2,307.87</b>
	<b>Segment Liabilities</b>						
	a) Tube	141.53	131.10	122.96	141.53	122.96	122.73
	b) Steel	193.44	164.14	49.12	193.44	49.12	113.62
	c) Unallocable	3,647.96	3,598.94	3,281.97	3,647.96	3,281.97	3,529.45
	<b>Total Liabilities</b>	<b>3,982.93</b>	<b>3,894.18</b>	<b>3,454.05</b>	<b>3,982.93</b>	<b>3,454.05</b>	<b>3,765.80</b>

\* Includes profit on steel captively consumed by Tube Segment

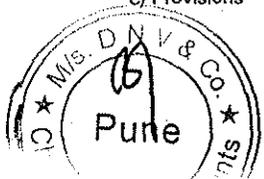


ISMT Limited

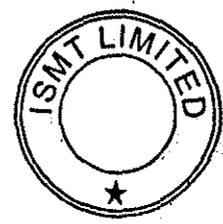
CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

Rs. in Crore

Particulars	Consolidated	
	As at September 30, 2021	As at March 31, 2021
	Unaudited	Audited
<b>A ASSETS</b>		
<b>1 Non - Current Assets</b>		
a) Property, Plant and Equipment	1,315.96	1,326.74
b) Capital Work-in-Progress	32.66	42.12
c) Goodwill on Consolidation	37.67	37.67
d) Financial Assets		
i) Trade Receivables	-	-
ii) Loans	7.05	7.60
iii) Other Financial Assets	11.46	20.33
e) Deferred Tax Asset ( Net)	82.05	82.05
f) Other Non Current Assets	49.94	54.84
<b>Sub Total</b>	<b>1,536.79</b>	<b>1,571.35</b>
<b>2 Current Assets</b>		
a) Inventories	422.75	357.40
b) Financial Assets		
i) Trade Receivables	331.10	273.86
ii) Cash and Cash Equivalents	64.49	32.79
iii) Bank Balance Other than (ii) above	4.49	8.55
iv) Loans	1.33	0.96
v) Other Financial Assets	10.83	10.83
c) Current Tax Assets ( Net)	2.18	2.03
d) Other Current Assets	44.56	50.10
<b>Sub Total</b>	<b>881.73</b>	<b>736.52</b>
<b>Total Assets</b>	<b>2,418.52</b>	<b>2,307.87</b>
<b>B EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
a) Equity Share Capital	73.25	73.25
b) Other Equity	(1,637.90)	(1,531.42)
Equity attributable to Parent	(1,564.65)	(1,458.17)
Non Controlling Interest	0.24	0.24
<b>Total Equity</b>	<b>(1,564.41)</b>	<b>(1,457.93)</b>
<b>LIABILITIES</b>		
<b>1 NON-CURRENT LIABILITIES</b>		
a) Financial Liabilities		
i) Borrowings	16.56	65.68
ii) Lease Liabilities	3.15	2.38
iii) Other Financial Liabilities	-	-
b) Provisions	10.42	8.86
c) Other Non Current Liabilities	-	-
<b>Sub Total</b>	<b>30.13</b>	<b>76.92</b>
<b>2 CURRENT LIABILITIES</b>		
a) Financial Liabilities		
i) Borrowings	996.29	1,002.30
ii) Lease Liabilities	1.35	1.53
iii) Trade Payables		
- Dues of Micro & Small Enterprises	16.67	16.16
- Dues of Creditors other than Micro & Small Enterprises	201.83	116.57
iii) Other financial Liabilities	2,702.50	2,523.60
b) Other Current Liabilities	25.02	25.95
c) Provisions	9.14	2.77
<b>Sub Total</b>	<b>3,952.80</b>	<b>3,688.88</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,418.52</b>	<b>2,307.87</b>



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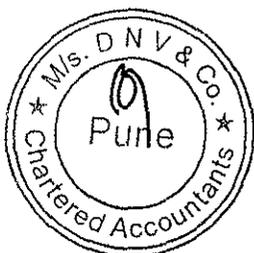


## CONSOLIDATED CASH FLOW STATEMENT

Rs. in Crore

	For the period ended September 30, 2021	For the period ended September 30, 2020
	Unaudited	Unaudited
<b>i) CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit / ( Loss ) Before Tax	(103.25)	(172.63)
Adjustments for :		
Depreciation	31.08	32.35
Finance Costs	133.86	131.14
Interest Income	(2.30)	(3.73)
Excess provision written back	(4.62)	-
Provision for Doubtful Debts/Others	8.19	-
Provision for expected credit loss	0.51	-
Unrealised Exchange (Gain) / Loss	1.03	(6.85)
Foreign Currency Translation Reserve	(0.28)	(2.31)
	<b>167.47</b>	<b>150.60</b>
<b>Operating Cash Profit before Working Capital Changes</b>	<b>64.22</b>	<b>(22.03)</b>
Adjustments for working capital changes:		
(Increase) / Decrease in trade receivable	(60.54)	26.46
(Increase) / Decrease in Inventories	(65.35)	35.13
(Increase) / Decrease in other non current financial assets	8.87	(15.01)
(Increase) / Decrease in non current loans	0.55	(0.51)
(Increase) / Decrease in other non current assets	0.17	0.21
(Increase) / Decrease in current loans	(0.38)	0.26
(Increase) / Decrease in other current financial assets	(0.18)	(0.13)
(Increase) / Decrease in other current assets	5.21	(3.91)
Increase / (Decrease) in trade payables	85.95	(18.44)
Increase / (Decrease) in other non current financial liabilities	-	-
Increase / (Decrease) in other current financial liabilities	11.81	(1.40)
Increase / (Decrease) in other current liabilities	(0.92)	5.98
Increase / (Decrease) in current provisions	6.37	(0.38)
Increase / (Decrease) in non current provisions	(1.64)	0.61
	<b>(10.08)</b>	<b>28.87</b>
Taxes (Paid) / Refund	<b>(0.17)</b>	<b>0.85</b>
<b>Net Cash flow from Operating Activities</b>	<b>53.97</b>	<b>7.69</b>
<b>ii) CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Property, Plant and Equipment	(7.67)	(1.70)
Other Bank balance not considered as cash and cash equivalent	4.06	19.05
Interest received	2.47	3.44
<b>Net Cash used in Investing Activities</b>	<b>(1.14)</b>	<b>20.79</b>
<b>iii) CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from /(Repayment of) Borrowings	(16.74)	(10.28)
Payment of Lease Liability	(1.28)	(1.46)
Interest Paid	(3.11)	(2.15)
<b>Net Cash from Financing Activities</b>	<b>(21.13)</b>	<b>(13.89)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>31.70</b>	<b>14.59</b>
Cash and Cash Equivalents at the beginning of the year	32.79	52.97
Cash and Cash Equivalents at the end of the period	64.49	67.56
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>31.70</b>	<b>14.59</b>

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

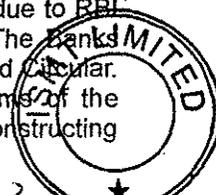
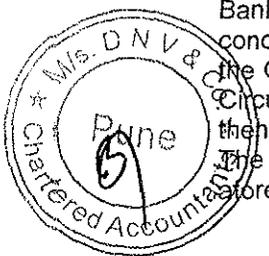


**NOTES ON CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021.**

1. The Parent Company, through its subsidiary, has invested in Structo Hydraulics AB Sweden (SHAB) and recognised Goodwill on Consolidation of Rs 23.48 Crore in the Consolidated financial Results. SHAB has been incurring losses and its net worth is also eroded due to continuing losses. COVID has impacted businesses across the globe including Europe. However, no provision for impairment has been made in respect of Goodwill on Consolidation by the Group, being this investment is in the nature of forward integration and considered Strategic, Long Term. The financial effect, if any, of the same on consolidated net loss for the quarter and half year ended September 30, 2021, is not ascertainable.
2. i) Maharashtra Electricity Regulatory Commission (MERC) had disallowed Parent Company's petition regarding banking of energy facility under Energy Banking Agreement (EBA) vide its orders dated June 20, 2014 and January 12, 2015. The Parent Company filed an appeal before the Appellate Tribunal For Electricity (APTEL) against the said order which was dismissed by the APTEL vide their order dated April 1, 2016. The Parent Company's appeal, challenging the APTEL order is pending before the Hon'ble Supreme Court. The Parent Company had accrued EBA benefit aggregating to Rs. 49.97 Crore upto March 31, 2014, of which amount outstanding as on September 30, 2021 is Rs. 39.53 Crore, representing excess energy charges paid to Maharashtra State Electricity Distribution Company Limited (MSEDCL) on account of non-availability of banking of energy facility. There has been no further accrual since April 1, 2014 on account of suspension of operation of power plant.

Being a sub-judice matter, it is not possible to reasonably or reliably determine the recoverable amount; hence the receivable from MSEDCL is measured as at September 30, 2021 at the carrying amount of Rs.39.53 Crore. The financial effect, if any, of the same on the consolidated net loss for the quarter and half year ended September 30, 2021, is not ascertainable.

- ii) Considering prevailing uncertainties of operating the 40 MW Captive Power Plant (CPP) at Chandrapur, Maharashtra or disposing it as going concern or otherwise and pending outcome of supreme court decision as referred above, it is not possible to reasonably or reliably determine the recoverable amount and consequently to ascertain whether there is any impairment of the CPP as required by Ind AS 36 "Impairment of Assets". The Parent Company has been taking adequate steps for maintaining the equipment to preserve the value. Hence the aforesaid asset is measured as at September 30, 2021 at the carrying amount of Rs 227.50 Crore. The financial effect, if any, of the same on the consolidated net loss for the quarter and half year ended September 30, 2021, is not ascertainable
3. As per Ind AS- 12 "Income Taxes", Minimum Alternate Tax (MAT) credit (unused tax credit) is regarded as Deferred Tax Assets and the same shall be recognised to the extent that it has become probable that future taxable profit will be available against which the unused tax credit can be utilised. In view of Business uncertainties and pending debt Resolution, it is difficult for the Parent Company to fairly ascertain the probable future taxable profit against which MAT Credit can be utilized. Accordingly, the unabsorbed MAT credit, if any, out of the total MAT Credit of Rs. 82.05 Crore as at September 30, 2021, shall be charged in the Statement of Profit and Loss to the extent it lapses in the respective years and subject to review of the same once the Parent Company opts for options permitted under section 115BAA of the Income Tax Act, 1961.
4. Deferred Tax Asset in respect of carried forward losses is recognized to the extent of Deferred Tax Liability.
5. The Banks of the Parent Company had pursued various schemes for Debt Resolution - the Banks initially contemplated restructuring which was approved by JLM but could not be concluded at Banks end. The Banks then opted for OSDR and despite successful conclusion of the OSDR resulting in identification of the investor, OSDR could not be implemented due to RBI Circular dated February 12, 2018 scrapping all their schemes for stressed assets. The Banks then agreed to take up assignment of debt as Resolution Plan in terms of the aforesaid Circular. The Banks then agreed to take up assignment of debt as Resolution Plan in terms of the aforesaid Circular, pursuant to which bulk of Bank Debt was assigned to Asset Reconstructing



Companies (ARCs). Accordingly, balance unresolved Bank Debt amounts to about 25 % of Total Debt. Assignment of further debt could not be implemented due to outbreak of Covid in March 2020. The Company is now proposing to raise equity and debt towards resolution of debt by way of a One Time Settlement and accordingly the Company has signed a "Share Subscription Agreement" and an "Unsecured Loan Agreement" with Kirloskar Ferrous Industries Limited on November 25, 2021.

Lenders of the Parent Company had signed Inter Creditor Agreement as per the RBI guidelines for resolution of the debt of the Parent Company on sustainable basis including inter alia waiver of overdue/ penal / compound interest. The Parent Company has continued to make payments to lenders as mutually agreed. Pending Restructuring, the amounts paid are being adjusted against the Principal outstanding of respective lenders and will be finally adjusted as per the terms of the restructuring.

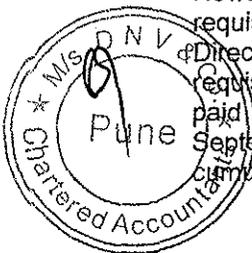
Notwithstanding the pending restructuring of debt and balance confirmations from banks, interest on the loans has been provided as per the terms of sanction of the respective banks on simple interest basis (excluding overdue / penal and compounding of interest). The financial effect, if any of non provision of overdue / penal and compounding of interest, on net loss for the quarter and half year ended September 30, 2021, is not ascertainable.

6. Other Income for the year ended March 31, 2021 includes: i) Provisions/Payables no longer required written back Rs. 22.08 Crore. ii) Insurance Claim Rs. 4.38 Crore. iii) Reversal of Expected Credit Loss Rs. 3.69 Crore. iv) Refund of Managerial Remuneration Rs. 5.04 Crore.
7. Despite the consolidated net loss, the Group has always been operationally profitable (positive EBITDA). The Group's operations and revenue during the current quarter has improved and EBITDA for the current quarter has also increased over the preceding quarters. The Group also benefits from Atmanirbhar policies of the Government including continuation of Anti Dumping Duty on import of seamless tubes from China. Debt resolution as mentioned in Note No. 5 herein above is inter alia expected to address the negative net worth of the Group thereby enlarging the business opportunities including participation in Government tenders. Accordingly the Group has continued to prepare its consolidated financial results on 'Going Concern Basis'.
8. Tridem Port and Power Company Private Limited (TPPCL), the wholly owned subsidiary of the Parent Company, along with its subsidiaries had proposed to set up a thermal power project and captive port in Tamil Nadu. TPPCL had obtained the approvals for the projects including acquisition of land but no construction activity had commenced. However, on account of subsequent adverse developments, the TPPCL had decided not to pursue these projects. The COVID pandemic is expected to have wide ranging long term impact on project activity and greenfield projects like TPPCL's would be particularly affected.

TPPCL has obtained project valuation report from independent valuer for determining the value of the project and recoverable amount thereof as at March 31, 2021 for assessment of impairment loss, if any, as required by Ind AS 36 "Impairment of Assets"

Considering present status of the project, prevailing power sector scenario, long lasting impact of Covid pandemic on the project, it is not possible to reasonably or reliably determine the recoverable amount. Nevertheless after due consideration by the Board of the Parent Company notwithstanding the uncertainties has on best possible estimate basis and after considering the valuation referred to in the preceding paragraph made provision for impairment loss of Rs.58.37 Crore of the amount invested in TPPCL Project as at March 31, 2021 as per Ind AS 36 "Impairment of Assets". The same is disclosed as "Exceptional Item" in the audited consolidated financial results for the year ended March 31, 2021.

9. The Parent Company had in the past obtained Central Government/ lenders approval for payment of Managerial Remuneration from time to time. Subsequently, the Ministry of Corporate Affairs had done away with the requirement of obtaining Central Government approval and the Managerial Remuneration is determined as per the approvals obtained from the shareholders. However, in view of inordinate delay in debt resolution on account of COVID and otherwise, requisite approvals / NOC from lenders are still awaited. Pending the same, the Managing Director of the Company has in compliance of Section 197 of the Companies Act, refunded the requisite remuneration. Employee Benefits Expense includes remuneration provided and not paid to the Managing Director of the Parent Company for the quarter and half year ended September 30, 2021 of Rs.0.45 Crore and Rs. 0.90 Crore respectively (Rs.2.49 Crore cumulative up to September 30, 2021) is subject to approval of lenders.



10. The outbreak of corona virus (COVID-19) pandemic globally has caused significant disturbance and slowdown of economic activity. The Group's operations and revenue during the current quarter has improved, yet the full impact of COVID-19 is not ascertainable. The Group continues to closely monitor the developments and possible effects that may result from current pandemic, on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation. The full assessment of the impact of the same on the Group's operations, CPP and on Port and Power Project (TPPCL) will be only possible once the pandemic settled down and the eventual impact may be different from the estimates made as of the date of approval of these unaudited consolidated financial results.
11. The Consolidated financial results of the Parent Company and its subsidiaries (the Group) have been prepared as per Ind AS 110 on "Consolidated Financial Statements".
12. The comparative figures have been regrouped and reclassified to meet the current quarter's / years classification.
13. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on December 06, 2021.

Place: Pune  
Date: December 06, 2021

For ISMT Limited



Rajiv Goel

Whole-time Director & Chief Financial Officer

