

ISMT LIMITED
Solutions You Can Trust

ISMT/SEC/21-22

February 14, 2022

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, February 14, 2022, inter alia, considered the following business:

1. Approved the Un-Audited Financial Results (Standalone & Consolidated) of the Company for the ended December 31, 2021.


The Board Meeting commenced at 12.30 p.m. and concluded at 1.00 p.m. on February 14, 2022.

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

Please take the above on your record and oblige.

Thanking you,

Yours faithfully,
For ISMT Limited


Chetan Nathani
Company Secretary
Encl.: As above



Corporate & Registered Office
Panama House (Earlier known as Lunkad Towers),
Viman Nagar, Pune - 411 014, India.
Phone : +91 20 41434100 / 66024901 - 04 | Fax : +91 20 26630779
www.ismt.com
CIN : L27109PN1999PLC016417



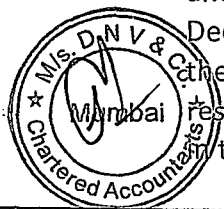
E-mail id: secretarial@ismt.co.in

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 December 31, 2021 and for the year to date period from April 1, 2021 to December 31, 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 February 14, 2022 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 nine months ended December 31, 2021 and previous years and the company's current liabilities exceeded its current assets as at December 31, 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 December 31, 2021. Taking into consideration the loss during the quarter and nine months ended December 31, 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 nine months ended December 31, 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. 12.50 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 nine months ended December 31, 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 December 31, 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 December 31, 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 December 31, 2021 at the carrying amount of Rs. 223.97 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 nine months ended December 31, 2021 and other equity as on that date.



- e) Pending implementation of One Time Settlement (“OTS”) agreement with lenders and conditions thereupon as explained in Note No 6 of the Statement, 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 with lenders, if any. The quantum and its impact, if any, on the net loss for the quarter and nine months ended December 31, 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 (“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 from time to time, including the manner in which it is to be disclosed, or that it contains any material misstatement.

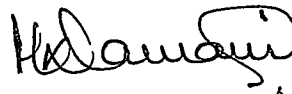
7. Emphasis of Matters:

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 1.35 Crore for the quarter and nine months ended December 31, 2021 respectively and cumulative up to December 31, 2021 amounting to Rs. 2.94 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 nine months ended December 31, 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 Malay Damania
Partner
Membership No.: 042278
UDIN: 22042278ABZOVO9760



Place: Mumbai
Date: February 14, 2022

ISMT Limited

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

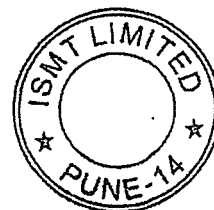
Phone : 020-41434100, Fax : 020-26630779, E-Mail : secretarial@ismt.co.in,

Web : www.ismt.com, CIN : L27109PN1999PLC016417

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021

Rs. In Crore

Sr. No	Particulars	Standalone					'March 31, 2021
		Quarter ended		Nine months ended		Year ended	
		'December 31, 2021	'September 30, 2021	'December 31, 2020	'December 31, 2021		
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	Income						
	Revenue from Operations						-
	Sales of Products	823.33	797.41	530.37	2,273.80	1,083.59	1,681.70
	Less : Inter Segment Transfers	278.36	224.13	135.60	662.68	277.05	415.99
	Inter Division Transfers	19.08	17.32	16.21	57.63	37.92	48.55
	(a) Net Sales	525.89	555.96	378.56	1,553.49	768.62	1,217.16
	(b) Other Operating Revenue	7.76	8.44	6.22	21.69	11.80	17.51
	(c) Revenue From Operations - (a+b)	533.65	564.40	384.78	1,575.18	780.42	1,234.67
	(d) Other Income (Refer Note No 5)	1.43	6.41	5.94	9.17	16.17	43.63
	Total Income - (c+d)	535.08	570.81	390.72	1,584.35	796.59	1,278.30
2	Expenses						
	(a) Cost of Materials Consumed	343.29	344.63	206.67	971.55	414.42	683.49
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(38.91)	(9.49)	13.93	(67.43)	24.70	28.92
	(c) Employee Benefits Expense	39.30	37.24	32.61	114.08	89.62	123.94
	(d) Finance Costs	69.66	65.77	65.88	203.28	196.81	262.21
	(e) Depreciation	15.16	15.01	15.50	44.96	46.51	61.28
	(f) Other Expenses	170.71	169.93	116.45	489.20	262.58	416.68
	Total Expenses	599.21	623.09	451.04	1,755.64	1,034.64	1,576.52
3	Profit / (Loss) before exceptional item and Tax (1-2)	(64.13)	(52.28)	(60.32)	(171.29)	(238.05)	(298.22)
4	Exceptional items :						
	(a) Foreign Exchange (Gain) / Loss	0.15	0.39	(2.04)	(0.15)	(7.30)	(5.98)
	(b) Provision for Diminution in Value of Investment (Refer Note No. 8)	-	-	-	-	-	58.37
5	Profit / (Loss) before tax (3- 4)	(64.28)	(52.67)	(58.28)	(171.14)	(230.75)	(350.61)
6	Tax Expenses :						
	(a) Current Tax	-	-	-	-	-	-
	(b) Earlier Years Tax	-	-	-	(0.07)	-	0.10
	(c) Deferred Tax (Refer Note No. 4)	-	-	-	-	-	-
7	Profit / (Loss) after tax (5-6)	(64.28)	(52.67)	(58.28)	(171.07)	(230.75)	(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)	(1.60)	(3.33)	(0.27)	(4.80)	(0.80)	0.53
	(b) Items that will be reclassified to Profit or Loss	-	-	-	-	-	-
	Other Comprehensive Income (Net of tax) (a+b)	(1.60)	(3.33)	(0.27)	(4.80)	(0.80)	0.53
9	Total Comprehensive Income for the period (7+8)	(65.88)	(56.00)	(58.55)	(175.87)	(231.55)	(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)	(4.39)	(3.00)	(3.90)	(11.68)	(15.75)	(23.94)



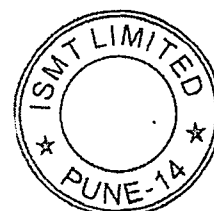
ky

ISMT Limited

SEGMENT WISE STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021

		Standalone					Rs. in Crore
		Quarter ended		Nine months ended		Year ended	
Sr No	Particulars	'December 31, 2021	'September 30, 2021	'December 31, 2020	'December 31, 2021	'December 31, 2020	'March 31, 2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
	a) Gross Sales – Tube	409.11	378.66	261.00	1,091.40	575.93	846.10
	Less : Inter Division	19.08	17.32	16.21	57.63	37.92	48.55
	Sub total	390.03	361.34	244.79	1,033.77	538.01	797.55
	b) Gross Sales – Steel	414.22	418.75	269.37	1,182.40	507.66	835.60
	Less : Inter Segment	278.36	224.13	135.60	662.68	277.05	415.99
	Sub total	135.86	194.62	133.77	519.72	230.61	419.61
2	Total Segment Revenue	525.89	555.96	378.56	1,553.49	768.62	1,217.16
	Segment Results						
	Profit / (Loss) after Depreciation and Before Finance Costs & Exceptional items, Unallocable income (net) and Tax.						
	a) Tube	(6.18)	7.99	(0.81)	5.17	(31.06)	(33.18)
	b) Steel *	7.73	10.87	2.84	35.55	(18.98)	(12.12)
	Total	1.55	18.86	2.03	40.72	(50.04)	(45.30)
	Less : Finance Costs	69.66	65.77	65.88	203.28	196.81	262.21
	: Exceptional items - Foreign Exchange (Gain) / Loss	0.15	0.39	(2.04)	(0.15)	(7.30)	(5.98)
	: Provision for Diminution in Value of Investment (Refer Note No. 8)	-	-	-	-	-	58.37
	Add : Unallocable Income (Net of Unallocable Expenses)	3.98	(5.37)	3.53	(8.73)	8.80	9.29
	Total Profit / (Loss) Before Tax	(64.28)	(52.67)	(58.28)	(171.14)	(230.75)	(350.61)
	Less : Tax Expenses						
	Current Tax	-	-	-	-	-	-
	Earlier years Tax	-	-	-	(0.07)	-	0.10
	Deferred Tax (Refer Note No.4)	-	-	-	-	-	-
3	Total Profit / (Loss) After Tax	(64.28)	(52.67)	(58.28)	(171.07)	(230.75)	(350.71)
	Capital Employed						
	Segment Assets						
	a) Tube	1,433.89	1,398.68	1,287.77	1,433.89	1,287.77	1,325.00
	b) Steel	442.19	484.97	420.81	442.19	420.81	459.16
	c) Unallocable	548.91	565.58	692.26	548.91	692.26	555.03
	Total Assets	2,424.99	2,449.23	2,400.84	2,424.99	2,400.84	2,339.19
	Segment Liabilities						
	a) Tube	136.36	135.39	115.25	136.36	115.25	113.77
	b) Steel	186.31	193.44	102.95	186.31	102.95	113.62
	c) Unallocable	3,690.57	3,642.77	3,476.39	3,690.57	3,476.39	3,524.18
	Total Liabilities	4,013.24	3,971.60	3,694.59	4,013.24	3,694.59	3,751.57

* Includes profit on steel captively consumed by Tube Segment



NOTES ON STANDALONE UN AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 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 December 31, 2021 are Rs. 12.50 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 nine months ended December 31, 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 December 31, 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.

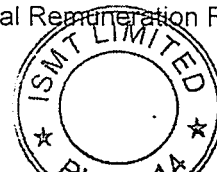
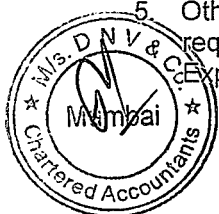
Being a sub-judice matter, it is not possible to reasonably or reliably determine the recoverable amount; hence the receivable from MSEDCL is measured as at December 31, 2021 at the carrying amount of Rs.39.53 Crore. The financial effect, if any, of the same on net loss for the quarter and nine months ended December 31, 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 December 31, 2021 at the carrying amount of Rs 223.97 Crore. The financial effect, if any, of the same on net loss for the quarter and nine months ended December 31, 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 December 31, 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 ("OTS") and accordingly the Company has signed a "Share Subscription Agreement" and an "Unsecured Loan Agreement" with Kirloskar Ferrous Industries Limited on November 25, 2021. The Company has signed OTS Agreement subsequent to the quarter with all the lenders for the amount of Rs. 670 Crores towards settlement of 100% debt of all the Lenders.

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 /OTS, 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 / OTS.

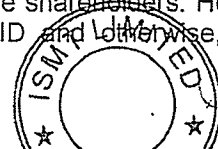
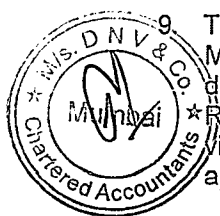
Notwithstanding the OTS Agreement, interest on the loans has been provided as per the terms of sanction of the respective banks on simple interest basis (excluding overdue / penal and compounding of interest). The financial effect of OTS Agreement will be given in the books of accounts upon OTS implementation.

7. Despite the net loss, the Company has always been operationally profitable (positive EBIDTA). The Company's operations and revenue during the current period of nine months has improved and EBIDTA for the nine months is also increased as compared to EBIDTA of the same period of previous year. 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 by way of OTS Agreement with all the lenders, 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.

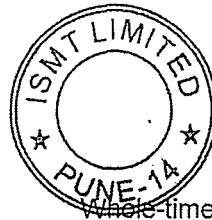
9. The Company had in the past obtained Central Government/ lenders approval for payment of Managerial Remuneration from time to time. Subsequently, the Ministry of Corporate Affairs had done away with the requirement of obtaining Central Government approval and the Managerial Remuneration is determined 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 nine months ended December 31, 2021 of Rs.0.45 Crore and Rs.1.35 Crore respectively (Rs.2.94 Crore cumulative up to December 31, 2021) is subject to approval of lenders.

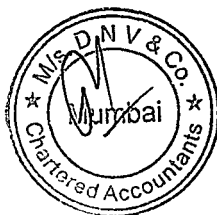
10. The outbreak of corona virus (COVID-19) pandemic globally has caused significant disturbance and slowdown of economic activity. The Company's operations and revenue during the current period has improved over the preceding period, yet the full impact of COVID-19 is not ascertainable. The Company 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 February 14, 2022.

Place: Pune
Date: February 14, 2022



For ISMT Limited


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 December 31, 2021 and for the year to date period from April 1, 2021 to December 31, 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:

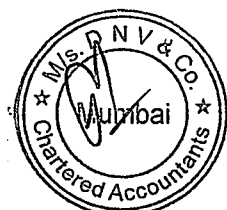
ISMT Enterprises S.A Luxembourg, Structo Hydraulics AB Sweden, ISMT Europe AB Sweden, Tridem Port and Power Company Private Limited., Nagapattinam Energy Private Limited., Best Exim Private Limited., Success Power and Infracprojects Private Limited, Marshal Microware Infrastructure Development Company 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 nine months ended December 31, 2021 and previous years and the Group's current liabilities exceeded its current assets as at December 31, 2021. 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 December 31, 2021. Taking into consideration the loss during the quarter and nine months ended December 31, 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 nine months ended December 31, 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 nine months ended December 31, 2021, carrying value of Goodwill on Consolidation and other equity as on that date in respect of the above matters.

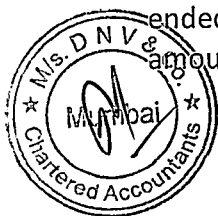


- c) The Parent Company had recognized claim in earlier years, of which outstanding balance as on December 31, 2021 is Rs. 39.53 Crore, against Maharashtra State Electricity Distribution Company Ltd. (MSEDCL) for non-implementation of Energy Banking Agreement. The Parent Company had appealed to Appellate 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 December 31, 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 December 31, 2021 at the carrying amount of Rs. 223.97 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 nine months ended December 31, 2021 and other equity as on that date.
- e) Pending implementation of One Time Settlement ("OTS") agreement with lenders and conditions thereupon as explained in Note No 5 of the Statement, the Parent 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 with lenders, if any. The quantum and its impact, if any, on the net loss for the quarter and nine months ended December 31, 2021 and other equity 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 1.35 Crore for the quarter and nine months ended December 31, 2021 respectively and cumulative up to December 31, 2021 amounting to Rs. 2.94 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 nine months ended December 31, 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:

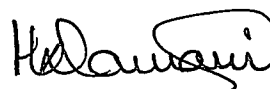
The consolidated unaudited financial results include the interim financial information/ financial results of ten subsidiaries which have not been reviewed/audited by their auditors, whose unaudited interim financial information/ financial results reflect total assets of Rs 242.61 Crore as on December 31, 2021, total revenue of Rs. 21.36 Crore and Rs. 59.05 Crore and total net profit/(loss) after tax of Rs. (0.09) Crore and Rs (0.54) Crore and total comprehensive Loss of 0.30 Crore and Rs 0.76 Crore for the quarter and nine months ended December 31, 2021, respectively 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

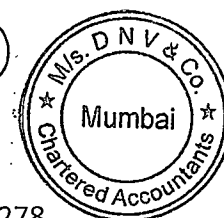


CA Malay Damania

Partner

Membership No.: 042278

UDIN: 22042278ABZQAM3233



Place: Mumbai

Date: February 14, 2022

ISMT Limited

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

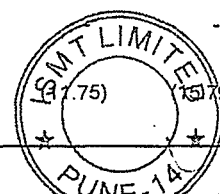
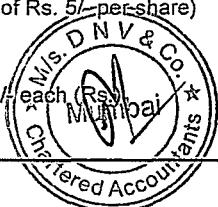
Phone : 020-41434100, Fax : 020-26630779, E-Mail : secretarial@ismt.co.in,

Web : www.ismt.com, CIN : L27109PN1999PLC016417

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021

Rs. in Crore

Sr. No	Particulars	Consolidated					
		Quarter ended			Nine Months ended		Year ended
		December 31, 2021	Sept. 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	March 31, 2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	Income						
	Revenue from Operations						
	Sales of Products	839.84	813.10	544.38	2,323.39	1,123.23	1,736.63
	Less : Inter Segment Transfers	278.36	224.13	135.60	662.68	277.05	415.99
	Inter Division Transfers	19.08	17.32	16.21	57.63	37.92	48.55
	Sale to Subsidiary Company	16.50	13.07	14.91	44.88	27.37	37.95
	(a) Net Sales	525.90	558.58	377.66	1,558.20	780.89	1,234.14
	(b) Other Operating Revenue	7.86	8.49	6.25	21.89	11.85	17.61
	(c) Revenue From Operations - (a+b)	533.76	567.07	383.91	1,580.09	792.74	1,251.75
	(d) Other Income (Refer Note No. 6)	3.80	6.54	7.30	12.16	19.33	47.87
	Total Income = (c+d)	537.56	573.61	391.21	1,592.25	812.07	1,299.62
2	Expenses						
	(a) Cost of Materials Consumed	341.58	344.92	203.05	969.09	421.29	692.01
	(b) Changes in inventories of finished goods, work -in -progress and stock-in-trade	(39.55)	(10.16)	14.26	(67.92)	24.97	30.14
	(c) Employee Benefits Expense	42.01	39.39	35.59	121.94	96.95	133.66
	(d) Finance Costs	69.79	65.89	66.00	203.65	197.14	262.65
	(e) Depreciation	15.78	15.65	16.25	46.86	48.60	64.00
	(f) Other Expenses	175.98	165.18	117.67	490.17	264.10	410.14
	Total Expenses	605.59	620.87	452.82	1,763.79	1,053.05	1,592.60
3	Profit / (Loss) before Exceptional Items and tax (1-2)	(68.03)	(47.26)	(61.61)	(171.54)	(240.98)	(292.98)
4	Exceptional items -						
	(a) Foreign Exchange (Gain) / Loss	0.84	0.28	(3.92)	0.58	(10.66)	(8.93)
	(b) Provision for Impairment in Vale of Project (Refer Note No. 8)	-	-	-	-	-	58.37
5	Profit / (Loss) before tax (3- 4)	(68.87)	(47.54)	(57.69)	(172.12)	(230.32)	(342.42)
6	Tax Expenses :						
	(a) Current Tax	-	-	-	-	-	-
	(b) Earlier years Tax	-	-	-	0.02	-	0.10
	(c) Deferred Tax (Refer Note No.4)	-	-	-	-	-	-
7	Profit / (Loss) after tax (5- 6)	(68.87)	(47.54)	(57.69)	(172.14)	(230.32)	(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)	(1.60)	(3.33)	(0.27)	(4.80)	(0.80)	0.53
	(b) Items that will be reclassified to Profit or Loss						
	Foreign Currency Translation Reserve	(0.20)	(0.44)	0.04	(0.21)	0.18	(1.56)
	Other Comprehensive Income (Net of tax) (a+b)	(1.80)	(3.77)	(0.23)	(5.01)	(0.62)	(1.03)
9	Total Comprehensive Income for the period (7+8)	(70.67)	(51.31)	(57.92)	(177.15)	(230.94)	(343.55)
	Profit / (Loss) attributable to :						
	Equity Shareholders of Parent	(68.87)	(47.55)	(57.69)	(172.14)	(230.31)	(342.51)
	Non Controlling Interest	-	0.01	-	-	(0.01)	(0.01)
	Other Comprehensive Income attributable to :						
	Equity Shareholders of Parent	(1.80)	(3.76)	(0.24)	(5.01)	(0.64)	(1.04)
	Non Controlling Interest	-	(0.01)	0.01	-	0.02	0.01
	Total Comprehensive Income attributable to :						
	Equity Shareholders of Parent	(70.67)	(51.31)	(57.93)	(177.15)	(230.95)	(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) (not annualised)	(4.70)	(3.25)	(3.94)	(7.75)	(7.72)	(23.38)

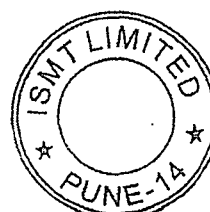


ISMT Limited

SEGMENT WISE CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS YEAR ENDED DECEMBER 31, 2021.

Sr No	Particulars	Consolidated					
		Quarter ended			Nine Months ended		Year ended
		December 31, 2021	Sept. 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	March 31, 2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1 Segment Revenue							
a) Gross Sales – Tube	425.62	394.35	275.00	1,140.99	615.57	901.03	
Less : Inter Division	19.08	17.32	16.21	57.63	37.92	48.55	
: Sale to Subsidiary Company	16.50	13.07	14.91	44.88	27.37	37.95	
Sub total	390.04	363.96	243.88	1,038.48	550.28	814.53	
b) Gross Sales – Steel	414.22	418.75	269.38	1,182.40	507.66	835.60	
Less : Inter Segment	278.36	224.13	135.60	662.68	277.05	415.99	
Sub total	135.86	194.62	133.78	519.72	230.61	419.61	
2 Total Segment Revenue	525.90	558.58	377.66	1,558.20	780.89	1,234.14	
Segment Results							
Profit / (Loss) after Depreciation and Before Finance Costs & Exceptional items, Unallocable income (net) and Tax.							
a) Tube	(5.74)	8.72	(2.34)	5.95	(33.55)	(34.14)	
b) Steel *	7.73	10.87	2.84	35.55	(18.98)	(12.12)	
Total	1.99	19.59	0.50	41.50	(52.53)	(46.26)	
Less : Finance Costs	69.79	65.89	66.00	203.65	197.14	262.65	
: Exceptional items							
- Foreign Exchange (Gain) / Loss	0.84	0.28	(3.92)	0.58	(10.66)	(8.93)	
- Provision for Impairment in Value of Project (Refer Note No. 8)		-	-	-	-	58.37	
Add : Unallocable Income (Net of Unallocable Expenses)	(0.23)	(0.96)	3.89	(9.39)	8.69	15.93	
Total Profit / (Loss) Before Tax	(68.87)	(47.54)	(57.69)	(172.12)	(230.32)	(342.42)	
Less : Tax Expenses							
Current Tax	-	-	-	-	-	-	
Earlier years	-	-	-	0.02	-	0.10	
Deferred Tax (Refer Note No. 4)	-	-	-	-	-	-	
Total Profit / (Loss) After Tax	(68.87)	(47.54)	(57.69)	(172.14)	(230.32)	(342.52)	
3 Capital Employed							
Segment Assets							
a) Tube	1,458.89	1,426.29	1,316.25	1,458.89	1,316.25	1,351.80	
b) Steel	442.19	484.97	420.81	442.19	420.81	459.16	
c) Unallocable	490.38	507.26	634.24	490.38	634.24	496.91	
Total Assets	2,391.46	2,418.52	2,371.30	2,391.46	2,371.30	2,307.87	
Segment Liabilities							
a) Tube	144.10	141.53	131.81	144.10	131.81	122.73	
b) Steel	186.31	193.44	102.95	186.31	102.95	113.62	
c) Unallocable	3,696.13	3,647.96	3,481.87	3,696.13	3,481.87	3,529.45	
Total Liabilities	4,026.54	3,982.93	3,716.63	4,026.54	3,716.63	3,765.80	

* Includes profit on steel captively consumed by Tube Segment



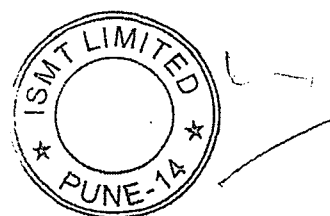
NOTES ON CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021.

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 nine months ended December 31, 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 December 31, 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 December 31, 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 nine months ended December 31, 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 December 31, 2021 at the carrying amount of Rs 223.97 Crore. The financial effect, if any, of the same on the consolidated net loss for the quarter and nine months ended December 31, 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 December 31, 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, 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 Parent Company is now proposing to raise equity and debt towards resolution of debt by way of a One Time Settlement ("OTS") and accordingly the Parent Company has signed a "Share Subscription Agreement" and an "Unsecured Loan Agreement" with Kirloskar Ferrous Industries Limited on November 25, 2021. The Parent Company has signed OTS Agreement subsequent to the quarter with all the lenders for amount of Rs. 670 Crores towards settlement of 100% debt of all the Lenders.

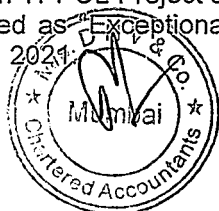
Lenders of the Parent Company had signed Inter Creditor Agreement as per the RBI guidelines for resolution of the debt of the Parent Company on sustainable basis including inter alia waiver of overdue/ penal / compound interest. The Parent Company has continued to make payments to lenders as mutually agreed. Pending Restructuring /OTS, 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 /OTS

Notwithstanding the OTS Agreement, 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 of OTS Agreement will be given in the books of accounts upon OTS implementation.

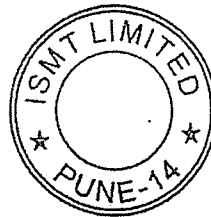
6. Other Income for the year ended March 31, 2021 includes: i) Provisions/Payables no longer required written back Rs. 22.08 Crore. ii) Insurance Claim Rs. 4.38 Crore. iii) Reversal of Expected Credit Loss Rs. 3.69 Crore. iv) Refund of Managerial Remuneration Rs. 5.04 Crore.
7. Despite the consolidated net loss, the Group has always been operationally profitable (positive EBIDTA). The Group's operations and revenue during the current period of nine months has improved and EBIDTA for the nine months has also increased as compared to EBIDTA of the same period of previous year. 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 by way of OTS Agreement with all the lenders, 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 Parent 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 nine months ended December 31, 2021 of Rs.0.45 Crore and Rs. 1.35 Crore respectively (Rs.2.94 Crore cumulative up to December 31, 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 February 14, 2022.



For ISMT Limited

Rajiv Goel

Whole-time Director & Chief Financial Officer

Place: Pune
Date: February 14, 2022

