

ISMT Limited

Regd. Office : Lunkad Towers , Viman Nagar, Off Pune-Nagar Road, Pune 411 014.

PART I

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

Sr. No	Particulars	Rs. In Crore			
		Quarter ended 30th June, 2013	Quarter ended 31st March, 2013	Quarter ended 30th June, 2012	Year ended 31st March, 2013
		Unaudited	Refer Note No.7	Unaudited	Audited
1	Gross Sales/ Income from Operations	623.44	640.10	724.24	2,513.02
	Less : Inter Segment Transfers	208.66	204.61	199.55	745.29
	Inter Division Transfers	12.79	17.20	37.54	112.38
	Excise Duty	35.66	37.82	38.25	143.94
	(a) Net Sales/ Income from Operations	366.33	380.47	448.90	1,511.41
	(b) Other Operating Income	19.77	17.91	20.66	80.38
	Total Income from Operations (a+b)	386.10	398.38	469.56	1,591.79
2	Expenses				
	(a) Consumption of Raw Materials	179.37	197.58	256.61	773.44
	(b) Purchase of stock-in-trade	0.26	2.15	1.37	8.21
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(0.80)	(1.00)	(35.49)	(27.18)
	(d) Employee Benefits Expense	29.56	30.08	28.44	115.79
	(e) Depreciation, Amortisation and Obsolescence	24.85	24.67	21.95	95.64
	(f) Other Expenses :				
	(i) Energy	76.53	51.83	86.96	295.60
	(ii) Other Direct Expenditure	55.76	65.80	66.85	239.95
	(iii) Other Expenditure	11.29	17.78	6.20	35.12
	Total Expenses	376.82	388.89	432.89	1,536.57
3	Profit / (Loss) from Operations before other income, finance costs and exceptional items (1-2)	9.28	9.49	36.67	55.22
4	Other Income	4.52	8.13	4.19	20.66
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	13.80	17.62	40.86	75.88
6	Finance Costs	39.67	37.15	37.30	152.66
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(25.87)	(19.53)	3.56	(76.78)
8	Exceptional item - Foreign Exchange (Gain)/ Loss	7.06	11.02	19.15	63.85
9	Profit / (Loss) from ordinary activities before tax (7- 8)	(32.93)	(30.55)	(15.59)	(140.63)
10	Tax Expenses	(11.79)	(10.30)	-	(40.92)
11	Net Profit / (Loss) from ordinary activities after tax (9-10)	(21.14)	(20.25)	(15.59)	(99.71)
12	Extraordinary items	-	-	-	-
13	Net Profit / (Loss) for the period (11-12)	(21.14)	(20.25)	(15.59)	(99.71)
14	Paid-up Equity Share Capital (Face Value of Rs.5/- per share)	73.25	73.25	73.25	73.25
15	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year.	-	-	-	416.57
16	Earnings per share before extraordinary items)				
	Basic & Diluted Earnings per share of Rs.5/- each (Rs) (not annualised)	(1.44)	(1.38)	(1.06)	(6.81)
17	Earnings per share after extraordinary items)				
	Basic & Diluted Earnings per share of Rs.5/- each (Rs) (not annualised)	(1.44)	(1.38)	(1.06)	(6.81)

PART - II

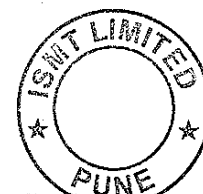
A SELECT INFORMATION FOR THE QUARTER ENDED 30 TH JUNE, 2013.

PARTICULARS OF SHAREHOLDING

1	Public Shareholding				
	Number of Shares	70130712	70150712	70764009	70150712
	Percentage of Shareholding	47.87%	47.88%	48.30%	47.88%
2	Promoters and promoter group shareholding				
	(a) Pledged / Encumbered				
	Number of Shares	NIL	NIL	NIL	NIL
	Percentage of Shares (as a % of the total shareholding of promoter and Promoter group)	-	-	-	-
	Percentage of Shares (as a % of the total share capital of the company)	-	-	-	-
	(b) Non - Encumbered				
	Number of Shares	76370671	76350671	75737374	76350671
	Percentage of Shares (as a % of the total shareholding of promoter and Promoter group)	100.00%	100.00%	100.00%	100.00%
	Percentage of Shares (as a % of the total share capital of the company)	52.13%	52.12%	51.70%	52.12%

B INVESTOR COMPLAINTS

Pending at the beginning of the quarter	NIL
Received during the quarter	5
Disposed off during the quarter	5
Remaining unresolved at the end of the quarter	NIL



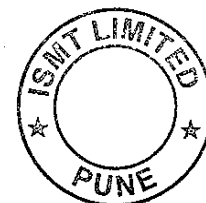
ISMT Limited

SEGMENT WISE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 TH JUNE, 2013.

Rs. in Crore

Sr No	Particulars	1	2	4	
		Quarter ended 30th June,2013	Quarter ended 31st March,2013	Quarter ended 30th June,2012	Year ended 31st March, 2013
		Unaudited	Refer Note No.7	Unaudited	Audited
1 Segment Revenue					
a) Gross Sales – Tube		288.56	318.44	372.52	1,297.88
Less : Inter Division		12.79	17.20	37.54	112.38
Excise Duty		21.87	24.10	21.71	87.37
Sub total		253.90	277.14	313.27	1,098.13
b) Gross Sales – Steel		334.88	321.66	351.72	1,215.14
Less : Inter Segment		208.66	204.61	199.55	745.29
Excise Duty		13.79	13.72	16.54	56.57
Sub total		112.43	103.33	135.63	413.28
Total Net Sales/ Income from Operations		366.33	380.47	448.90	1,511.41
2 Segment Results					
Profit / (Loss) after Depreciation and Before Finance Costs & Exceptional item- Foreign Exchange (Gain) / Loss ,Unallocable income (net) and Tax.					
a) Tube		0.62	(27.66)	21.92	8.37
b) Steel *		1.51	7.80	14.87	17.78
Total		2.13	(19.86)	36.79	26.15
Less : Finance Costs		39.67	37.15	37.30	152.66
: Exceptional item - Foreign Exchange (Gain) / Loss		7.06	11.02	19.15	63.85
Add : Unallocable Income (Net of Unallocable Expenses)		11.67	37.48	4.07	49.73
Total Profit / (Loss) Before Tax		(32.93)	(30.55)	(15.59)	(140.63)
Less : Tax Expenses		(11.79)	(10.30)	-	(40.92)
Total Profit / (Loss) After Tax		(21.14)	(20.25)	(15.59)	(99.71)
3 Capital Employed (Segment Assets – Segment Liabilities)					
a) Tube		1,472.98	1,403.33	1,360.48	1,403.33
b) Steel		41.97	107.41	163.60	107.41
c) Unallocable		(1,105.21)	(1,020.92)	(1,017.20)	(1,020.92)

* Includes profit on steel captively consumed by Tube Segment



NOTES ON UN AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE, 2013

1. The Company had adopted the Hedge Accounting policy and principles set out in Accounting Standard (AS) 30 Financial Instruments: Recognition and Measurement. During the quarter ended 30th June, 2013, the Company has carried Exchange Loss of Rs 54.88 Crore to Hedge Reserve Account and charged Exchange Loss of Rs 1.17 Crore to Statement of Profit and Loss from Hedge Reserve Account. Balance in Hedge Reserve Accounts as on 30th June, 2103 is Rs. 69.15 Crore.
2. The Company has exercised the option as per Para 46 A inserted in the Accounting Standard (AS-11) for treatment of exchange difference on long term monetary liabilities, other than covered under the Hedge accounting . Accordingly during the quarter ended 30th June, 2013, Exchange Loss capitalized is Rs. 43.06 Crore and Exchange Loss recognized in Foreign Currency Monetary Item Translation Difference Account (FCMITDA) is Rs. 3.93 Crore and Exchange Loss of Rs. 0.38 Crore transferred to Statement of Profit and Loss from FCMITDA. Balance in FCMITDA as on 30th June, 2013 is Rs. 10.30 Crore.
3. Based on the advice on treatment of Amalgamation Reserve created in terms of the Scheme of Arrangement, sanctioned by the Hon'ble High Court, Bombay, the Company has adjusted depreciation of Rs.1.67 Crore during current quarter ended 30th June, 2013 against the Amalgamation Reserve.
4. The Company has invested Rs.48.43 Crore in its subsidiary ISMT Enterprises, Luxembourg, which in turn holds 100 % investment in Structo Hydraulics AB, Sweden (SHAB). The company has given a corporate guarantee of Rs 29.85 Crores (USD 5 Million) for loan availed by SHAB. The net recoverable on account of supplies by the company to SHAB is Rs. 44.74 Crore. While SHAB had cash loss in the previous year and the net worth of SHAB is eroded. The management is of the opinion that the investment made in ISMT Enterprises group is strategic and as a forward integration in the value chain of core business of the company, as such no provision for the same is considered necessary.
5. The Company had entered in to an Energy Banking Agreement (EBA) dated 7th May, 2010 with Maharashtra State Electricity Distribution Company Limited (MSEDCL) which was not implemented by MSEDCL while granting Open Access permission. Upon petition filed by the Company in this matter an interim order has been passed by Maharashtra Electricity Regulatory Commission, Mumbai (MERC), staying Open Access Circular No. 170 of MSEDCL and making the EBA operative. The said interim order of MERC was challenged by MSEDCL before the Bombay High Court on ground of jurisdiction and was dismissed. Thereafter upon appeal on similar ground, Appellate Tribunal for Electricity has remanded the matter back to MERC after setting aside the MERC order. Based on Legal advice, the Company, pending final disposal of the petition, has continued to accrue Banking Credit as per EBA of Rs. 7.17 Crores for the quarter ended 30th June,2013 representing excess energy charges paid to MSEDCL on account of non availability of banking facility.
6. The Company had recognized insurance claim amounting to Rs. 14.98 Crore in the financial year 2011-12. After accounting for receipt of part claim and credit for rejected material, the balance amount of Rs. 2.45 Crore is yet to be received from the Insurance Company. The Company expects that the said claim would be settled by the Insurance Company and there would be no material difference in the settlement of the claim.
7. Figures for the quarter ended 31st March, 2013 are the balancing figures between audited figures in respect of the full financial year ended on 31st March, 2013 and published year to date figures up to the third quarter ended on 31st December, 2012.
8. The comparative figures are regrouped and reclassified to meet the current quarter's classification.

The above results were reviewed by the Audit committee and have been taken on record by the Board of Directors at their meeting held on 12th August, 2013.

For ISMT Limited

sd/-
Rajiv Goel
Chief Financial Officer



Place: Pune
Date: 12th August, 2013

REVIEW REPORT

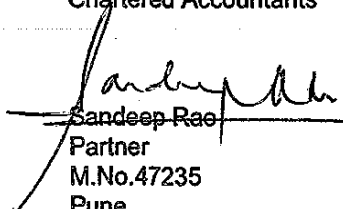
We have reviewed the accompanying statement of un-audited financial results of ISMT LIMITED for the period ended 30th June, 2013 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors / Committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion. Based on our review conducted as above and subject to:

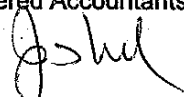
The Company had recognized insurance claim amounting to Rs.14.98 Crore in the Financial Year 2011-12. After accounting for receipt of part claim and credit for rejected material, balance amount of Rs. 2.45 Crore is yet to be received from the Insurance Company. Pending settlement of claim, receivable amount is not ascertainable and therefore effect of the shortfall, if any, on the profit for the period cannot be quantified.

nothing has come to our attention that causes us to believe that the accompanying statement of un-audited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M/S P.G.BHAGWAT
Firm Registration No. 101118W
Chartered Accountants


Sandeep Rao
Partner
M.No.47235
Pune
12th August, 2013

For J.K.Shah & Co.
Firm Registration No. 109606W
Chartered Accountants


J.K.Shah
Partner
M.No.3662
Pune
12th August, 2013

M/s P. G. BHAGWAT
CHARTERED ACCOUNTANTS
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DR. PAI MARG, BANER,
PUNE - 411 045

