

PART I

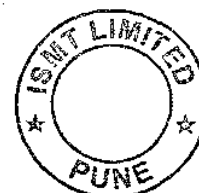
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31st DECEMBER, 2014

Sr. No	Particulars	Rs. in Crore					
		Quarter ended			Nine Months ended		Year ended
		31st Dec., 2014	30th Sept., 2014	31st Dec., 2013	31st Dec., 2014	31st Dec., 2013	31st March, 2014
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	Gross Sales/ income from Operations	556.84	645.86	591.74	1,826.13	1,929.85	2,563.10
	Less : Inter Segment Transfers	168.99	199.48	211.03	568.01	673.75	880.27
	Inter Division Transfers	10.94	11.16	9.01	32.00	31.70	39.97
	Excise Duty	34.22	39.66	32.74	113.94	108.70	147.47
	(a) Net Sales/ income from Operations	342.69	395.56	338.96	1,112.18	1,115.70	1,495.39
	(b) Other Operating Income	7.96	11.59	16.82	32.52	50.73	65.72
	Total Income from Operations (a+b)	350.65	407.15	355.78	1,144.70	1,166.43	1,561.11
2	Expenses						
	(a) Consumption of Raw Materials	186.75	203.43	202.98	556.78	594.03	761.46
	(b) Purchases of stock-in-trade	6.04	5.93	-	12.48	1.40	1.78
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(20.59)	10.10	(42.50)	29.18	(66.75)	(16.13)
	(d) Employee Benefits Expenses	31.19	32.09	32.31	95.14	92.35	123.75
	(e) Depreciation & Amortisation Expense	16.60	16.29	25.58	49.25	76.29	102.09
	(f) Other Expenses :						
	(i) Energy	80.18	87.27	78.27	243.61	244.34	319.19
	(ii) Other Direct Expenditure	51.31	52.22	69.91	149.97	196.94	257.15
	(iii) Other Expenditure	9.07	9.24	7.04	27.01	21.89	26.61
	Total Expenses	360.55	416.57	373.59	1,163.42	1,160.49	1,575.90
3	Profit / (Loss) from Operations before other income, finance costs and exceptional items (1-2)	(9.90)	(9.42)	(17.81)	(18.72)	5.94	(14.79)
4	Other Income	1.88	3.12	3.27	7.86	12.44	15.61
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	(8.02)	(6.30)	(14.54)	(10.86)	18.38	0.82
6	Finance Costs	58.59	56.77	48.66	167.58	133.20	183.53
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(66.61)	(63.07)	(63.20)	(178.44)	(114.82)	(182.71)
8	Exceptional items						
	a) Foreign Exchange (Gain)/ Loss	(1.68)	4.39	14.69	9.86	32.97	67.52
	b) Excess Energy Cost	-	-	-	-	15.66	14.60
	c) Others	1.88	1.89	11.38	5.74	19.18	(60.18)
9	Profit / (Loss) from ordinary activities before tax (7- 8)	(66.81)	(69.35)	(89.27)	(194.04)	(182.63)	(204.65)
10	Tax Expenses	-	-	(0.93)	-	(34.36)	(34.36)
11	Net Profit / (Loss) from ordinary activities after tax (9-10)	(66.81)	(69.35)	(88.34)	(194.04)	(148.27)	(170.29)
12	Extraordinary items	-	-	-	-	-	-
13	Net Profit / (Loss) for the period after tax (11-12)	(66.81)	(69.35)	(88.34)	(194.04)	(148.27)	(170.29)
14	Paid-up Equity Share Capital (Face Value of Rs.5/- per share)	73.25	73.25	73.25	73.25	73.25	73.25
15	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year.	-	-	-	-	-	231.24
16	Earnings per share before extraordinary items						
	Basic & Diluted Earnings per share of Rs.5/- each (Rs) (not annualised)	(4.56)	(4.73)	(6.03)	(13.25)	(10.12)	(11.62)
17	Earnings per share after extraordinary items						
	Basic & Diluted Earnings per share of Rs.5/- each (Rs) (not annualised)	(4.56)	(4.73)	(6.03)	(13.25)	(10.12)	(11.62)

PART - II

A SELECT INFORMATION FOR THE QUARTER ENDED 31st DECEMBER, 2014

PARTICULARS OF SHAREHOLDING						
1	Public Shareholding					
	Number of Shares	70000224	69951572	70130612	70000224	70130612
	Percentage of Shareholding	47.78%	47.75%	47.87%	47.78%	47.87%
2	Promoters and promoter group shareholding					
	(a) Pledged / Encumbered					
	Number of Shares	35230000	NIL	NIL	35230000	NIL
	Percentage of Shares as a % of the total shareholding of promoter and Promoter group)	46.05%	-	-	46.05%	-
	Percentage of Shares (as a % of the total share capital of the company)	24.05%	-	-	24.05%	-
	(b) Non - Encumbered					
	Number of Shares	41271159	76509811	76370771	41271159	76370771
	Percentage of Shares (as a % of the total shareholding of promoter and Promoter group)	53.95%	100.00%	100.00%	53.95%	100.00%
	Percentage of Shares (as a % of the total share capital of the company)	28.17%	52.22%	52.13%	28.17%	52.13%
B	INVESTOR COMPLAINTS					
	Pending at the beginning of the quarter	NIL				
	Received during the quarter	1				
	Disposed of during the quarter	1				
	Remaining unresolved at the end of the quarter	NIL				



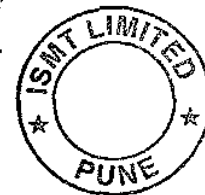
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SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Rs. in Crore

Sr No	Particulars	Quarter ended			Nine Months ended		Year ended
		31st Dec, 2014	30th Sept., 2014	31st Dec, 2013	31st Dec, 2014	31st Dec, 2013	31st March, 2014
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Segment Revenue							
a) Gross Sales – Tube		244.41	290.20	284.77	827.76	897.26	1,204.94
Less : Inter Division		10.94	11.16	9.01	32.00	31.70	39.97
: Excise Duty		17.93	22.28	21.29	65.17	67.53	93.12
Sub total		215.54	256.76	254.47	730.59	798.03	1,071.85
b) Gross Sales – Steel		312.43	355.66	306.97	998.37	1,032.59	1,358.16
Less : Inter Segment		168.99	199.48	211.03	568.01	673.75	880.27
: Excise Duty		16.29	17.38	11.45	48.77	41.17	54.35
Sub total		127.15	138.80	84.49	381.59	317.67	423.54
Total Net Sales/ Income from Operations		342.69	395.56	338.96	1,112.18	1,115.70	1,495.39
2 Segment Results							
Profit / (Loss) after Depreciation & before interest & Finance Costs							
Exceptional items, Unallocable income (net) and Tax.							
a) Tube		(12.52)	(11.93)	(7.11)	(29.86)	5.74	(10.75)
b) Steel *		6.52	6.44	(16.37)	23.36	(14.81)	(18.47)
Total		(6.00)	(5.49)	(23.48)	(6.50)	(9.07)	(29.22)
Less : Finance Costs		58.59	56.77	48.66	167.58	133.20	183.53
Less : Exceptional items							
: Foreign Exchange (Gain) / Loss		(1.68)	4.39	14.69	9.86	32.97	67.52
: Excess Energy Cost		-	-	-	-	15.66	14.60
: Others		1.88	1.89	11.38	5.74	19.18	(60.18)
Add : Unallocable Income (Net of Unallocable Expenses)		(2.02)	(0.81)	8.94	(4.36)	27.45	30.04
Total Profit / (Loss) Before Tax		(66.81)	(69.35)	(89.27)	(194.04)	(182.63)	(204.65)
Less : Tax Expenses		-	-	(0.93)	-	(34.36)	(34.36)
Total Profit / (Loss) After Tax		(66.81)	(69.35)	(88.34)	(194.04)	(148.27)	(170.29)
3 Capital Employed							
(Segment Assets – Segment Liabilities)							
a) Tube		1,258.32	1,233.26	1,465.63	1,258.32	1,465.63	1,390.85
b) Steel		(17.16)	(94.60)	73.15	(17.16)	73.15	52.60
c) Unallocable		(1,160.71)	(976.14)	(1,261.97)	(1,160.71)	(1,261.97)	(1,138.96)

* Includes profit on steel captively consumed by Tube Segment



(3) of (5)

NOTES ON UN AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31st DECEMBER, 2014

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 31st December, 2014, the Company has carried Exchange Loss of Rs 10.92 Crore to Hedge Reserve Account and charged Exchange Gain of Rs 2.69 Crore to Statement of Profit and Loss from Hedge Reserve Account. Balance in Hedge Reserve Accounts as on 31st December, 2014 is Rs.36.99 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 31st December, 2014, Exchange Loss capitalized is Rs. 5.81 Crore and Exchange Loss recognized in Foreign Currency Monetary Item Translation Difference Account (FCMITDA) is Rs. 1.14 Crore and Exchange Loss of Rs. 0.59 Crore transferred to Statement of Profit and Loss from FCMITDA. Balance in FCMITDA as on 31st December, 2014 is Rs.10.43 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.1.11 Crore and Rs. 3.33 Crore during current quarter and nine months ended 31st December, 2014 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 6.13 Crore (USD 0.967 million balance loan amount) for loan availed by SHAB. The net recoverable as on December, 31st 2014 on account of supplies by the company to SHAB is Rs. 52.03 Crore. SHAB has incurred cash losses 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 and the diminution in value of investment is temporary in nature, as such no provision for the same and for receivables is considered necessary.
5. Upon petition filed by the Company regarding non implementation of Energy Banking Agreement (EBA) dated 7th May, 2010, Maharashtra Electricity Regulatory Commission (MERC) granted partial relief to the Company by its order dated 20th June, 2014. The company being aggrieved by the said order had filed a Review application before MERC on 9th July, 2014 and clarificatory petition on 6th August, 2014, which was not been favourably considered and the Company is now approaching Appellate Tribunal (APTEL), Delhi against the order dated 12th January, 2015 of MERC. Based on Legal advice, the Company, had accrued EBA benefit aggregating to Rs. 49.97 Crore till 31st March, 2014, of which Rs. 40.83 Crore is outstanding as on 31st December, 2014, representing excess energy charges paid to MSEDCL on account of non availability of banking facility. There was no further accrual effective from 1st April, 2014 on account of temporary suspension of operation of power plant.
6. The Company is in the process of determining the useful life of fixed assets in terms of Part A of Schedule II of the Companies Act, 2013 and has presently provided depreciation based on useful lives of fixed assets prescribed by Part C of Schedule II of the Companies Act 2013, due to which there is a lower charge of depreciation of Rs. 10.79 Crore and Rs. 32.36 Crore for the current quarter and nine months ended 31st December, 2014. In respect of assets where life is already exhausted, carrying value as at April, 01, 2014 of Rs. 9.76 Crore has been adjusted to Reserves.
7. Out of the outstanding MAT Entitlement as at 31st December, 2014 of Rs. 91.44 Crore, any amount lapsing in future due to insufficient taxable profits shall be fully provided in the respective years of lapsing.
8. The auditors have carried out a "Limited Review" of the financial results for the quarter and nine months ended 31st December, 2014.

9. 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 February, 2015.

For ISMT Limited

sd/-

Rajiv Goel

Chief Financial Officer

Place: Pune

Date: 12th February, 2015



REVIEW REPORT

We have reviewed the accompanying statement of un-audited financial results of ISMT LIMITED for the period ended 31st December, 2014 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:

1] The company has outstanding MAT credit entitlement of Rs.91.44 Crores as on 31st December,2014. In view of current and carried forward losses, the company may not be able to set-off the entire MAT credit entitlement within the specified period as per the provisions of The Income Tax Act 1961. We are unable to comment on the quantum of the likely lapse in MAT credit entitlement amount and its negative impact on the statement of profit and Loss for the current quarter and nine months ended 31st December, 2014 and on the Reserves of the company as on that date. Refer Note No.7 forming part of the unaudited financial results;

2] The company, through its subsidiary, has invested Rs. 48.43 Crores in Structo Hydraulics AB Sweden (SHAB). Net receivable to the company from SHAB against supplies made is Rs 52.03 Crores and guarantee given by the company in respect of loan availed by SHAB of which outstanding balance is Rs. 6.13 Crores. The company has been incurring cash losses and the net worth of the company is also eroded. In the opinion of the management the investment is strategic and long term and the diminution in value of Investment is temporary and the receivables are collectible and no provisioning is required against the same. We are unable to comment on the recoverability of the receivables and the nature of diminution in value of the investments and ascertain its negative impact, if any, on the financial statements. Refer Note No.4 forming part of the Unaudited financial results;