

ISMT/SEC/21-22

February 03, 2022

**BSE Limited**  
P J Towers, Dalal Street,  
Mumbai – 400001  
Scrip Code: 532479

**National Stock Exchange of India Limited**  
Exchange Plaza, Plot no. C/1,  
G Block, Bandra-Kurla Complex,  
Bandra (E), Mumbai – 400051  
Scrip Symbol: ISMTLTD

Dear Sir,

**Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 – One-time Settlement**

Pursuant to Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and in furtherance to our earlier intimations dt. July 20, 2021 and November 25, 2021, please find below disclosure in relation to the One-time Settlement of the outstanding debt of the Company:

**Reasons for opting for One-time Settlement & brief summary of One-time Settlement**

The lenders of the Company had in the past pursued various schemes for debt resolution of the Company as per RBI guidelines, prevailing from time to time, including Outside Strategic Debt Restructuring which could not get implemented due to RBI Circular dated February 12, 2018, scrapping various schemes dealing with stressed assets. The lenders of the Company then decided to explore assignment of debt of the Company as a Resolution Plan. Accordingly, lenders holding 70% of the principal debt of the Company assigned the same to Asset Reconstructing Companies (ARCs)/ Asset Management entities and in September, 2019, majority of lenders of the Company consisting of both ARCs and banks signed Inter Creditor Agreement as per RBI guidelines for restructuring the debt of the Company.

All lenders again considered restructuring of debt of the Company, prior and subsequent to COVID-19 Pandemic, which however could not be implemented. The lenders have since decided to go for One-time Settlement of the outstanding debt of the Company along with change in Management.

As already informed, the Board of Directors of the Company proposed Preferential Allotment of 15.40 Crore equity shares at a price of Rs. 30.95 per equity share (equivalent to 51.25% of the post issue equity share capital of the Company) to Kirloskar Ferrous Industries Limited (KFIL), for total consideration of Rs. 476.63 Crore, which was also approved by the shareholders of the Company at the Extra-ordinary General Meeting held on December 22, 2021 subject to receipt of statutory approvals. The proceeds of the Preferential Allotment together with the proposed unsecured loan from KFIL will be utilized towards One-time Settlement of the outstanding debt of the Company.

The lenders, after due process, have approved the One-time Settlement of the outstanding debt of the Company and the Agreement for One-time Settlement executed with lenders, inter alia, providing for timelines for payment of One-time Settlement amount and other terms and conditions as well as various steps to be taken by the Company and lenders for release of primary and collateral securities so given in relation to the loans availed by the Company.

Pursuant to the One-time Settlement, the Company will pay Rs. 670 Crore towards full and final settlement of its outstanding debt to the lenders.

This is for your information and records.

Thanking you,

Yours faithfully  
For ISMT Limited  
*Chetan Nathani*  
Chetan Nathani  
Company Secretary



ISO 9001:2015



ISO 14001:2015

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