CIN : L27109TG1989PLC010654

SATHAVAHANA ISPAT LIMITED

Regd. Off. : 505, Block 1, Divyashakti Complex, Ameerpet, Hyderabad - 500 016.
Phones : 23730812,3,4 Fax : +91-40-23730566 E-mail : info@sathavahana.com
web : www.sathavahana.com

REF: SIL/SEC/2019 November 07, 2019

To, Bombay Stock Exchange Limited, Corporate Relationship Department, P J Towers, New Trading Ring Rotunda Building, Dalal Street, **MUMBAI – 400 001.**	To, National Stock Exchange of India Limited, Listing Department, Regd. Office: "Exchange Plaza", Bandra Kurla Complex, **MUMBAI -400 051.**
STOCK CODE: 526093	**STOCK CODE: SATHAISPAT**

Dear Sir,

Sub: 1) Submission Of Unaudited Financial Results For The Quarter/Six Months Ended 30th September, 2019.
2) Submission of Limited Review Report.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we are herewith filing a statement of Unaudited Financial Results of the Company for the quarter/Six months ended 30th September, 2019 as approved and taken on record by the Board of Directors of the Company at its meeting held on 07th November, 2019.

Also please find enclosed herewith a copy of the "Limited Review" report dated 07th November, 2019, issued by the Statutory Auditors of the Company.

The Meeting started at 3:00 PM and concluded at 6:00 PM

Kindly take the above on record.

Thanking you,

Yours faithfully
For **SATHAVAHANA ISPAT LIMITED**

(A Naresh Kumar)
Managing Director
DIN - 00112566

SATHAVAHANA ISPAT LIMITED * HYD *

Encl: As above.

SATHAVAHANA ISPAT LIMITED
CIN :L27109TG1989PLC010654
Regd.Office: Flat No. 505, 5th Floor, Block-I, Divyashakthi Complex, Ameerpet, Hyderabad - 500 016
Email: sathavahana@eth.net. www.sathavahana.com

Statement of Unaudited financial results for the Quarter and Six Months ended September 30, 2019

(Rs. in lakhs, except as stated)

S.No	Particulars	Quarter ended			Six Months Ended		Year ended
		30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	31.03.2019 (Audited)
1	**INCOME:**						
	Revenue from operations	8561.22	9628.97	13211.47	18190.19	20703.16	49853.69
	Other income	51.75	148.20	53.17	199.95	132.17	817.87
	Total income	**8612.97**	**9777.17**	**13264.64**	**18390.14**	**20835.33**	**50671.56**
2	**EXPENSES:**						
	a) Cost of raw materials consumed	7436.75	11442.34	11860.39	18879.09	17737.69	44800.59
	b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	3008.71	(1348.39)	(1307.95)	1660.32	(655.33)	(2404.42)
	c) Employee benefits expense	539.05	544.52	695.03	1083.57	1410.83	2608.03
	d) Finance costs	4784.48	4560.56	4449.80	9345.04	8342.24	17438.49
	e) Depreciation and amortisation expense	1130.17	1118.33	1279.64	2248.50	2530.65	4738.65
	f) Other expenses	814.64	582.98	959.91	1397.62	1629.04	3284.00
	Total expenses	**17713.80**	**16900.34**	**17936.82**	**34614.14**	**30995.12**	**70465.34**
3	**Loss before Exceptional items and tax (1-2)**	**(9100.83)**	**(7123.17)**	**(4672.18)**	**(16224.00)**	**(10159.79)**	**(19793.78)**
4	Exceptional item	-	-	-	-	-	2,983.98
5	**Loss before tax (3-4)**	**(9100.83)**	**(7123.17)**	**(4672.18)**	**(16224.00)**	**(10159.79)**	**(22777.76)**
6	**Tax expense**						
	Current tax	-	-	-	-	-	-
	Deferred tax	-	-	-	-	-	-
	Total tax expense	-	-	-	-	-	-
7	**Loss for the year (5-6)**	**(9100.83)**	**(7123.17)**	**(4672.18)**	**(16224.00)**	**(10159.79)**	**(22777.76)**
8	**Other Comprehensive Income / (Expense)**						
	a) (i) Items that will not be reclassified to profit or loss	21.56	21.55	32.45	43.11	64.91	86.21
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
	b) (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total other comprehensive income for the period	21.56	21.55	32.45	43.11	64.91	86.21
9	**Total Comprehensive Income for the period (7+8)** (Comprising Profit / (Loss) and other comprehensive Income for the year)	**(9079.27)**	**(7101.62)**	**(4639.73)**	**(16180.89)**	**(10094.88)**	**(22691.55)**
10	Paid Up Equity Share Capital (Ordinary shares of Rs 10/- each)	5090.00	5090.00	5090.00	5090.00	5090.00	5090.00
11	Reserves Excluding Revaluation Reserve						(42623.42)
12	**Loss Per Equity Share(Not Annualised) in Rs.**						
	Basic	(17.88)	(13.99)	(9.18)	(31.87)	(19.96)	(44.75)
	Diluted	(17.88)	(13.99)	(9.18)	(31.87)	(19.96)	(44.75)

SATHAVAHANA ISPAT LIMITED HYD

MAJETI & CO HYDERABAD Chartered Accountants

SEGMENT REVENUE, RESULTS, SEGMENT ASSETS AND SEGMENT LIABILITIES

(Rs. In lakhs, except as stated)

S.No	Particulars	Quarter ended			Six Months Ended		Year ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	**Segment Revenue**						
	Ferrous Products	20.37	110.48	430.23	130.85	801.94	1216.73
	Metallurgical Coke with Co-generation Power	8563.33	9548.40	12888.17	18111.73	20090.08	49041.67
	Total	8583.70	9658.88	13318.40	18242.58	20892.02	50258.40
	Less: Inter/Intra Segment Revenue	22.48	29.91	106.93	52.39	188.86	404.71
	Sales/ Revenue from Operations	**8561.22**	**9628.97**	**13211.47**	**18190.19**	**20703.16**	**49853.69**
2	**Segment Results**						
	Ferrous Products	(1321.66)	(1200.25)	(1544.85)	(2521.91)	(3005.97)	(5412.22)
	Metallurgical Coke with Co-generation Power	(2856.04)	(1510.11)	1281.47	(4366.15)	1091.48	2643.17
	Total	(4177.71)	(2710.36)	(263.38)	(6888.07)	(1914.49)	(2769.05)
	Less: Other un-allocable expenditure	10.36	(19.47)	9.84	(9.11)	23.27	44.95
	Total segment results before interest and tax	**(4188.07)**	**(2690.89)**	**(273.22)**	**(6878.96)**	**(1937.76)**	**(2814.00)**
	Finance Costs (Net of interest income)	4912.76	4432.28	4398.96	9345.04	8222.03	16979.79
	Loss before exceptional item and tax	**(9100.83)**	**(7123.17)**	**(4672.18)**	**(16224.00)**	**(10159.79)**	**(19793.79)**
	Exceptional item	-	-	-	-	-	2,983.98
	Loss before tax	**(9100.83)**	**(7123.17)**	**(4672.18)**	**(16224.00)**	**(10159.79)**	**(22777.76)**
	Tax	-	-	-	-	-	-
	Loss after tax	(9100.83)	(7123.17)	(4672.18)	(16224.00)	(10159.79)	(22777.76)
	Other Comprehensive Income (Net of Tax)	21.56	21.55	32.45	43.11	64.91	86.21
	Total Comprehensive Income	**(9079.27)**	**(7101.62)**	**(4639.73)**	**(16180.89)**	**(10094.88)**	**(22691.55)**

S.No	Particulars	Quarter ended			Six Months Ended		Year ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
3	**Segment Assets**						
	Ferrous Products	55309.35	55946.07	59669.22	55309.35	59669.22	56862.28
	Metallurgical Coke with Co-generation Power	33364.45	37010.78	46103.96	33364.45	46103.96	38646.51
	Total (A)	**88673.80**	**92956.85**	**105773.18**	**88673.80**	**105773.18**	**95508.79**
	Segment Liabilities						
	Ferrous Products	94091.28	89742.44	78162.40	94091.28	78162.40	77194.11
	Metallurgical Coke with Co-generation Power	48647.46	48285.12	52920.58	48647.46	52920.58	56271.78
	Total (B)	**142738.74**	**138027.56**	**131082.98**	**142738.74**	**131082.98**	**133465.89**
	Unallocated (Net) (C)	350.63	435.68	373.05	350.63	373.05	423.68
	Total (A-B+C)	**(53714.31)**	**(44635.03)**	**(24936.75)**	**(53714.31)**	**(24936.75)**	**(37533.42)**

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MAJETI & CO HYDERABAD Chartered Accountants

STATEMENT OF ASSETS & LIABILITIES

Particulars	As at	
	30.09.2019	31.03.2019
ASSETS		
I Non-current assets		
a) Property, plant and equipment	70872.65	73119.46
b) Capital work-in-progress	3342.71	3329.71
c) Intangible assets	-	-
d) Financial assets		
(i) Investments	15.43	18.66
(ii) Other financial assets	699.10	651.93
e) Other non-current assets	662.96	727.22
Total Non-current assets	**75592.85**	**77846.98**
II Current assets		
(a) Inventories	4145.70	8121.19
(b) Financial assets		
(i) Trade receivables	6320.92	7251.13
(ii) Cash and cash equivalents	471.35	640.76
(iii) Bank balances other than (ii) above	32.14	63.86
(c) Other current assets	2461.47	2008.55
Total Current assets	**13431.58**	**18085.49**
TOTAL ASSETS	**89024.43**	**95932.47**
EQUITY AND LIABILITIES		
III Equity		
a)Equity share capital	5090.00	5090.00
b)Other equity	(58804.31)	(42623.42)
Total Equity	**(53714.31)**	**(37533.42)**
IV Non-current liabilities		
a) Financial liabilities		
(i) Borrowings	8598.90	12662.36
(b) Provisions	391.07	391.07
Total Non- current liabilities	**8989.97**	**13053.43**
V Current liabilities		
(a) Financial liabilities		
(i) Borrowings	74235.13	68909.12
(ii) Trade payables	9191.27	8955.94
(iii) Other financial liabilities	49583.60	41706.36
(b) Other current liabilities	559.33	754.68
(c) Provisions	179.44	86.36
Total current liabilities	**133748.77**	**120412.46**
Total Liabilities	**142738.74**	**133465.89**
TOTAL EQUITY AND LIABILITIES	**89024.43**	**95932.47**

SAHAVAHANA ISPAT LIMITED DUM

MAJETI & CO. HYDERABAD Chartered Accountants

STATEMENT OF CASH FLOWS

Particulars	As at 30.09.2019	As at 30.09.2018
Cash flow from operating activities:		
Profit/ (Loss) before tax	(16224.00)	(10159.79)
Adjustments for:		
Depreciation and amortisation expense	2248.50	2530.65
Interest income from financial assets at amortised cost	(176.69)	(120.21)
Finance cost	9345.04	8342.24
Other Comprehensive Income	43.11	64.91
Net (gain)/loss arising on investments mandatorily measured at Fair value through profit and loss	3.23	2.87
Operating Profit/ (Loss) before working capital changes	**(4760.81)**	**660.67**
Adjustments for:		
Trade receivables and other assets	430.35	(1470.28)
Inventories	3975.48	(7561.67)
Trade payables, other liabilities and provisions	251.86	8426.98
Cash generated from operating activities	**(103.12)**	**55.70**
Income tax paid	(69.81)	(11.72)
Net cash inflow / (outflow) from operating activities	**(33.31)**	**43.98**
Cash flows from investing activities:		
Purchase of property, plant and equipment, Intangibles and capital work-in-progress	(26.95)	(303.82)
Foreclosure of margin money deposits	7.85	1635.77
Interest received	200.55	118.97
Net cash inflow from investing activities	**181.45**	**1450.92**
Cash flows from financing activities:		
Proceeds/(repayment) of long-term borrowings (net)	(24.54)	10.07
Proceeds/(repayment) of short-term borrowings (net)	5326.01	1385.51
Finance costs (Charged to Cash credit accounts)	(5611.71)	(3280.05)
Finance costs paid	(7.31)	(104.58)
Net cash (outflow) / inflow from financing activities	**(317.55)**	**(1989.04)**
Net (decrease)/ increase in cash and cash equivalents	(169.41)	(494.15)
Opening Cash and Cash Equivalents	640.76	1085.72
Closing Cash and Cash Equivalents	**471.35**	**591.57**

Notes :

1 The above Unaudited financial results for the quarter and six months ended Septmeber 30, 2019, as reviewed by the audit committee, has been considered and approved by the Board of Directors at its meeting held on November 07, 2019. A qualified audit report of the company on this statement has been issued by the auditors.

2 The statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.

3 The Company's business consists of two reportable segments viz., Ferrous Products and Metallurgical coke with co-generation of Power.

4 As at Septmeber 30, 2019, the company had negative other equity of Rs. 53714.31 lakhs and the company incurred losses during the preceding three years. The company has delayed payment of loans and interest and loan accounts have been classified as non-performing assets by banks. Due to tight cash flows and non-availability of working capital limits the operations at ferrous division have been impacted and the plant was under shut down since 12th June 2017. The operations at Kudithini works too were impacted where Metallurgical Coke facility is running at sixty percent capacity and power generation is also partially operated. This impact is likely to continue until the restructuring of the debt is done by the financing institution and banks. Notwithstanding the above, the financial results of the company have been prepared on going concern basis as management believes that the shortage of working capital funds will be temporary and lenders will consider the request for deep restructuring of the debt and arrive at the resolution plan at the earliest. The request of the company with the secured lenders is under process. The Company views that the deep restructuring will help to restart and establish profitable operations of the company and it would be able to meet commitments and reduce debt. The auditors of the company had drawn an emphasis of matter in the audit report for the year ended March 31, 2019.

5 **In response to Qualifications of audit report:**

a) Trade receivables as at September 30, 2019 include Rs 3557.18 lakhs due for a period of more than one year for which no provision has been made in the books of account, as the management considers these receivables as good and recoverable. The management assess the recoverability of trade receivables on regular basis and there is no uncertainty at present on recoverability of these receivables. legal cases were preferred where required to ensure recoverability. with regard to other long outstanding capital advances Rs.186.31 Lakhs, supplier advances Rs. 419.82 lakhs and other financial assets Rs. 360.35 lakhs, management is confident of recoverability and no provision at present is required to be made. (This was also subject matter of qualification in the audit report for the year ended March 31, 2019)

b) Statutory liabilities as at September 30, 2019 amounting to Rs. 315.82 Lakhs related to Income tax, Employee's provident fund, Employee state insurance act and professional tax, have become overdue and remaining unpaid. This is because of the tight working capital situation faced by the company.

6 Figures of previous period/ year have been rearranged / regrouped wherever necessary.

For and on behalf of Board of Directors
SATHAVAHANA ISPAT LIMITED

(NARESH KUMAR A)
MANAGING DIRECTOR

HYDERABAD
November 07, 2019

MAJETI & CO. HYDERABAD Chartered Accountants

MAJETI & CO
Chartered Accountants

Independent Auditors' Review Report on the Quarterly Unaudited Financial Results of the Company

Review report to
The Board of Directors
Sathavahana Ispat Limited,

1. We have reviewed the accompanying statement of unaudited financial results of SATHAVAHANA ISPAT LIMITED (the 'Company') for the quarter and Six Month ended September 30, 2019 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015 (,the Regulation') as amended, read with SEBI Circular No, CIRICFD/CMD1/44/2019 dated March 29,2019 ('the Circular'), which has been initialed by us for identification purposes.Attention is drawn to the fact that the statement of cash flows for the corresponding period from April 01, 2018 to September 30, 2018, as reported in these unaudited financial results have been approved by the Board of Directors of the Company but have not been subjected to review.

2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is 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 andaccordingly, we do not express an audit opinion.

   We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for qualified conclusion.

4. Basis for Qualified Conclusion:
   (i) We draw attention to Note 5(a) of the accompanying statement, where in management has considered outstanding trade receivables, supplier advances, capital advances and other financial assets of Rs. 3557.18Lakhs, Rs. 419.82 lakhs, Rs. 186.31 Lakhs and Rs.360.35 lakhs respectively due for a period of more than one year as good and recoverable as at September 30, 2019, for which no provision has been made in the books of account. For reasons said in the aforesaid note, and due to confirmations being not available and pending reconciliation adjustments we are unable to comment on the recoverability of these receivables and its consequential effect on these financial results.
   (ii) Note no:5(b) to the statement of financial results, Statutory dues related to Income tax, Employee's provident fund, Employee state insurance act and professional tax, amounting to

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Rs. 315.82 Lakhs have become overdue and remain unpaid, interest, penalty if any in respect of the same has remained unascertained and unaccounted for.

The above matters were also qualified in our report on the financial statements for the year ended March 31, 2019.

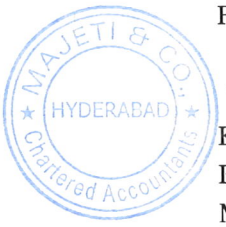
5. Based on our review conducted as above, except for the matters described in the Basis for qualified conclusion paragraph above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Accounting Standards i.e. Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We draw attention to:

   i) We draw attention to Note 4 to the accompanied statement, which indicates that the company has incurred a net loss of Rs. 16224.00 Lakhs during the Six Months ended,and the company had negative other equity of Rs. 53714.31 Lakhs as at September 30, 2019, has eroded entire networth of the company and, as of that date, the Company's current liabilities exceeded its current assets by Rs. 129307.16Lakhs. Defaults in repayment of loans and interest payments and shut down of operations at Ferrous division since June 12, 2017 due to non-availability of working capital funds. These events or conditions, along with other matters as set forth in note 4, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, the financial results have been prepared on a going concern basis for the reasons stated in the said note.

   Our conclusion is not qualified in respect of this matter.

For MAJETI & Co.,
Chartered Accountants
Firm's Registration Number: 015975S



M. Kiran Kumar

Kiran Kumar Majeti
Partner
Membership Number: 220354
UDIN: 19220354AAAABD9256

Hyderabad
November07, 2019