CIN : L27109TG1989PLC010654

SATHAVAHANA ISPAT LIMITED

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

REF: SIL/SEC/ 1705 /2017 Date: 14.09.2017

To
The National Stock Exchange of India Limited
Regd. Office: "Exchange Plaza"
Bandra Kurla Complex,
Bandra (East),
MUMBAI – 400 051.
Ph. No. 022-26598237/38.

Dear Sir,

SUB: 1) SUBMISSION OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2017.
2) SUBMISSION OF LIMITED REVIEW REPORT.

REF: COMPANY CODE NO. **SATHAISPAT.**

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 ended 30th June, 2017 as approved and taken on record by the Board of Directors of the Company at its meeting held on 14th September, 2017.

Also please find enclosed herewith a copy of the "Limited Review" report dated 14th September, 2017, issued by the Statutory Auditors of the Company.

Please take the above on record.

Thanking you,

Yours faithfully
For SATHAVAHANA ISPAT LIMITED

(K V KRISHNA RAO)
CFO & COMPANY SECRETARY

Encl: As above.

SATHAVAHANA ISPAT LIMITED

CIN :L27109TG1989PLC010654
Regd.Office: 314, Sri Rama Krishna Towers, Nagarjuna Nagar, Hyderabad - 500 073
Email: sathavahana@eth.net. www.sathavahana.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2017

Part I **(Rs. in lakhs)**

S.NO.	PARTICULARS	QUARTER ENDED	
		30th June 2017	30th June 2016
		Unaudited	Unaudited
1	**INCOME:**		
	Revenue from operations	11594.25	29064.28
	Other income	373.29	222.86
	Total Income	11967.54	29287.14
2	**EXPENSES:**		
	Cost of materials consumed	6086.27	13888.12
	Purchase of stock-in-trade	0.00	6226.79
	Changes in inventory of finished goods, Work in progress and stock in trade	5072.58	(350.10)
	Excise duty	494.34	1080.67
	Employee Benefits Expense	867.82	998.02
	Finance Costs	2691.64	2826.10
	Depreciation and Amortisation expense	1262.69	1152.87
	Other Expenses	2039.23	3071.90
	Total Expenses	18514.57	28894.37
3	**Net Profit / (Loss) before exceptional items and tax**	(6547.03)	392.77
4	**Exceptional items**	0.00	0.00
5	**Net Profit / (Loss) after exceptional items and tax**	(6547.03)	392.77
6	Tax Expense	0.00	0.00
7	**Net Profit / (Loss) for the period after exceptional items and tax**	(6547.03)	392.77
8	**Other Comprehensive Income:**		
A	Items that will not be reclassified to profit or loss (net of tax)	15.00	(14.13)
B	Items that will be reclassified to profit or loss	0.00	0.00
9	Total Comprehensive Income for the period (7+8) (Comprising Profit (Loss) and other comprehensive Income for the period)	(6532.03)	378.64
10	Paid-up equity share capital (Face value of the share Rs.10/- each)	5090.00	5090.00
11	**Earnings / (loss) Per Equity Share of ₹10/- each (Not Annualised) Rs.**		
	Basic	(12.86)	0.77
	Diluted	(12.86)	0.77

Please see accompanying notes to the financial results

SEGMENT REVENUE, RESULTS, SEGMENT ASSETS AND SEGMENT LIABILITIES

(Rs. in lakhs)

S.NO.	PARTICULARS	QUARTER ENDED	
		30th June 2017	30th June 2016
		Unaudited	Unaudited
1	**Segment Revenue**		
	Ferrous Products	10567.75	16456.19
	Metallurgical Coke with Co-generation Power	3185.79	18542.32
	Total	13753.54	34998.51
	Less: Inter / Intra Segment Revenue	2159.29	5934.23
	Sales/Revenue From Operations	11594.25	29064.28
2	**Segment Results**		
	Ferrous Products	(2146.81)	2366.75
	Metallurgical Coke with Co-generation Power	(1982.84)	49.55
	Total	(4129.65)	2416.30
	Less: Other un-allocable expenditure	3.50	13.12
	Total Segment results before interest and tax	(4133.15)	2403.18
	Finance Costs	2398.88	2024.54
	Profit/(Loss) before tax	(6532.03)	378.64
	Tax	0.00	0.00
	Net Profit/(Loss) after tax	(6532.03)	378.64
3	**Segment Assets**		
	Ferrous Products	74509.43	89421.98
	Metallurgical Coke with Co-generation Power	42756.36	43192.34
	Total	117265.79	132614.32
	Segment Liabilities		
	Ferrous Products	86126.62	67231.95
	Metallurgical Coke with Co-generation Power	28119.18	48663.43
	Total	114245.80	115895.38
	Unallocated	421.21	345.93
	Total	3441.20	17064.87

P.V.R.K. NAGESWARA RAO & CO. HYDERABAD Chartered Accountants

Notes:

1 This Statement has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 14th September 2017 and also has been subjected to Limited Review by the Statutory Auditors of the Company. An unqualified 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. Effective from April 1, 2017, the Company has, for the first time, adopted Ind AS with a transition date of April 1, 2016.

3 The Ind AS compliant financial results, pertaining to period ended June 30, 2016 have not been subjected to limited review or audit. However, the management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.

4 The Statement does not include Ind AS compliant result for the immediate preceding quarter and previous year ended March 31, 2017 as the same is not mandatory as per SEBI's Circular dated July, 5 2016.

5 The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

(Rs. In Lakhs)

Description	For the quarter ended 30th June 2016
Net Profit/ (Loss) as per Previous GAAP (India GAAP)	272.96
Ind AS adjustments: Add/ (Less)	
Acturial Loss on post employee defined benefit plan recognised in other Comprehensive Income	14.13
Loans recognised using effective rate of interest	(30.86)
Prior period Adjustments (net)	127.96
Others	8.58
Net Profit/ (Loss) as per Ind AS	**392.77**
Items that will not be reclassified to Profit or Loss	(14.13)
Total Comprehensive income for the period	**378.64**

6 The company along with some other buyers contested before the Hon'ble High Court of Karnataka (HC) the levy of Forest Development Tax (FDT) by the mining companies on their sale of Iron Ore. The Hon'ble HC vide its judgement dated 15.02.2016 has granted partial relief to the company and directed the Government of Karnataka (GOK) to refund the FDT collected earlier. Following the judgement the company has vide its letter dated 09.03.2016 filed an application for refund of `2325.73 lakhs towards FDT collected earlier. However some of the mining companies have since gone on appeal before the Hon'ble Supreme Court against the above judgement. Pending disposal of the appeal, the company has not recognised the said refund claim in its books of account.

7 Company's business consists of two Reportable segments viz., Ferrous products and Metallurgical Coke with Co-generation Power.

8 The performance of the Company during the quarter impacted adversely due to working capital constraints resulting in suboptimal operations. The Company has requested the secured lenders to restructure the loans under 'Scheme for Sustainable Structuring of Stressed Assets' (S4A scheme) which is under progress. 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 on job work basis and power generation has been shut down. This impact is likely to continue until the restructuring of the loans are done by the finanacing institutions and banks.

9 Figures of the previous period have been rearranged/ regrouped wherever necessary.

For and on behalf of Board of Directors
SATHAVAHANA ISPAT LIMITED

(NARESH KUMAR A)
MANAGING DIRECTOR

HYDERABAD
14.09.2017

FOR IDENTIFICATION PURPOSE ONLY

P.V.R.K. NAGESWARA RAO & CO. HYDERABAD Chartered Accountants

P.V.R.K. Nageswara Rao & Co.,
Chartered Accountants

INDEPENDENT AUDITOR'S REVIEW REPORT

TO
THE BOARD OF DIRECTORS OF
SATHAVAHANA ISPAT LIMITED

We have reviewed the Unaudited financial results of **SATHAVAHANA ISPAT LIMITED** ("the company") for the quarter ended June 30, 2017 which are included in the accompanying 'Statement of Unaudited Financial Results for the Quarter ended June 30,2017 together with the relevant notes thereon ("the Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"),read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 which has been initialed by us for identification purpose. The Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Further, the Management is also responsible to ensure that the accounting policies used in the preparation of this Statement are consistent with those used in the preparation of Company's opening unaudited Balance Sheet as at April 1, 2016 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. Our responsibility is to issue a report on the Statement based on our review.

We have 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 and accordingly, we do not express an audit opinion.

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in accordance with the Ind AS 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, 2015read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

P.V.R.K. NAGESWARA RAO & CO. HYDERABAD Chartered Accountants

109, Metro Residency | 6-3-1247, Rajbhavan Road | Khairatabad, Hyderabad - 500 082 | Telangana, India.
✆ Off. : +91-40-23311609, +91-40-23312269 (Dir) | E-mail : pvrk@pvrk.com

We draw attention to Note 2 to the statement which states that the Company has adopted Ind AS for the financial year commencing from April 1, 2017, and accordingly, the Statement has been prepared by the Company's Management in compliance with Ind AS.

For P.V.R.K. NAGESWARA RAO & Co.,
Chartered Accountants
Firm's Registration Number: 002283S

P.V.R.K. NAGESWARA RAO & Co. HYDERABAD Chartered Accountants

HYDERABAD
14.09.2017

N.ANKA RAO
Partner
Membership Number:23939