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/ 1726 /2017 Date: 08.12.2017

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 SEPTEMBER, 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 September, 2017 as approved and taken on record by the Board of Directors of the Company at its meeting held on 08th December, 2017.

Also please find enclosed herewith a copy of the "Limited Review" report dated 08th December, 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 Standalone Unaudited Financial Results for the Quarter and Six Months ended 30th September, 2017

(Rs. in Lakhs)

S.NO.	PARTICULARS	Quarter Ended			Six Months Ended	
		30/09/2017	30/06/2017	30/09/2016	30/09/2017	30/09/2016
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1	**INCOME:**					
	a) Revenue From Operations	4323.28	11594.25	29553.90	15917.53	58618.18
	b) Other Income	47.52	373.29	190.17	420.81	413.03
	c) Total Income	**4370.80**	**11967.54**	**29744.07**	**16338.34**	**59031.21**
2	**EXPENSES:**					
	a) Cost of Materials Consumed	2.17	6086.27	13380.02	6088.44	27268.14
	b) Purchase of Stock in Trade	225.46	-	12702.07	225.46	18928.86
	c) Changes in inventory of Finished goods, Work in progress and Stock in trade	4519.25	5072.58	(5335.83)	9591.83	(5685.93)
	d) Excise duty	0.00	494.34	913.40	494.34	1994.07
	e) Employee Benefits Expense	809.31	867.82	995.51	1677.13	2014.73
	f) Finance Costs	3521.76	2691.64	2621.92	6213.40	6031.92
	g) Depreciation and Amortisation expense	1287.54	1262.69	1149.55	2550.23	2302.44
	h) Other Expenses	927.59	2039.23	3106.62	2966.82	5594.61
	i) Total Expenses	**11293.08**	**18514.57**	**29533.26**	**29807.65**	**58448.84**
3	**Profit / (Loss) before Exceptional items and tax (1-2)**	**(6922.28)**	**(6547.03)**	**210.81**	**(13469.31)**	**582.37**
4	Exceptional Items	-	-	-	-	-
5	**Profit / (Loss) before tax (3-4)**	**(6922.28)**	**(6547.03)**	**210.81**	**(13469.31)**	**582.37**
6	Tax Expense					
	Current Tax	-	-	-	-	-
	Deferred Tax	-	-	-	-	-
	Total Tax Expense	-	-	-	-	-
7	**Profit / (Loss) for the period from continuing operations (5-6)**	**(6922.28)**	**(6547.03)**	**210.81**	**(13469.31)**	**582.37**
8	**Profit from discontinued operations**	-	-	-	-	-
9	**Tax expenses of discontinued operations**	-	-	-	-	-
10	**Profit/(Loss) from discontinued operations after tax (8+9)**	-	-	-	-	-
11	**Profit / (Loss) for the Period (7+10)**	(6922.28)	(6547.03)	210.81	(13469.31)	582.37
12	**Other Comprehensive Income / (Expense)**					
A	(i) Items that will not be reclassified to profit or loss	43.25	(15.00)	7.06	28.25	14.13
	(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 / (Expense)	**43.25**	**(15.00)**	**7.06**	**28.25**	**14.13**
13	Total Comprehensive Income for the period (11+12) (Comprising Profit / (Loss) and other comprehensive Income for the period)	(6879.03)	(6562.03)	217.87	(13441.06)	596.50
14	Paid Up Equity Share Capital (Ordinary shares of Rs. 10/- each)	5090.00	5090.00	5090.00	5090.00	5090.00
15.i.	**Earnings / (Loss) Per Equity Share for continuing operations (Not Annualised) in Rs.**					
	Basic	(13.60)	(12.86)	0.41	(26.46)	1.14
	Diluted	(13.60)	(12.86)	0.41	(26.46)	1.14
15.ii.	**Earnings Per Equity Share for discontinued operations (Not Annualised) in Rs.**					
	Basic	-	-	-	-	-
	Diluted	-	-	-	-	-
15.iii.	**Earnings / (Loss) Per Equity Share for discontinued And continuing operations (Not Annualised) in Rs.**					
	Basic	(13.60)	(12.86)	0.41	(26.46)	1.14
	Diluted	(13.60)	(12.86)	0.41	(26.46)	1.14

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Segment Revenue, Results, Segment Assets And Segment Liabilities

(Rs. in lakhs)

		Quarter Ended			Six Months Ended	
		30/09/2017	30/06/2017	30/09/2016	30/09/2017	30/09/2016
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1	**Segment Revenue**					
	a) Ferrous Products	5,458.07	10,567.75	13,862.60	16,025.82	30,147.71
	b) Metallurgical Coke with Co-generation Power	720.34	3,185.79	21,824.80	3,906.13	40,538.20
	Total	**6,178.41**	**13,753.54**	**35,687.40**	**19,931.95**	**70,685.91**
	Less: Inter Segment Revenue	1,855.13	2,159.29	6,133.50	4,014.42	12,067.73
	Sales/Revenue From Operations	**4,323.28**	**11,594.25**	**29,553.90**	**15,917.53**	**58,618.18**
2	**Segment Results**					
	a) Ferrous Products	(2,476.72)	(1,969.05)	2,500.51	(4,445.77)	4,778.74
	b) Metallurgical Coke with Co-generation Power	(922.84)	(1,882.84)	37.03	(2,805.68)	137.16
	Total	**(3,399.56)**	**(3,851.89)**	**2,537.54**	**(7,251.45)**	**4,915.90**
	Less : i) Other un-allocable expenditure	0.97	3.50	18.01	4.47	31.13
	Total Segment results before interest and tax	**(3,400.53)**	**(3,855.39)**	**2,519.53**	**(7,255.92)**	**4,884.77**
	Finance Costs	3,521.75	2,691.64	2,308.72	6,213.39	4,302.40
	Profit/(Loss) before tax	**(6,922.28)**	**(6,547.03)**	**210.81**	**(13,469.31)**	**582.37**
	Tax	-	-	-	-	-
	Net Profit/(Loss) after tax	**(6,922.28)**	**(6,547.03)**	**210.81**	**(13,469.31)**	**582.37**
	Other Comprehensive Income (Net of Tax)	43.25	(15.00)	7.06	28.25	14.13
	Total Other Comprehensive Income	**(6,879.03)**	**(6,562.03)**	**217.87**	**(13,441.06)**	**596.50**
3	**Segment Assets**					
	a) Ferrous Products	61,122.16	76,650.99	91,020.14	61,122.16	91,020.14
	b) Metallurgical Coke with Co-generation Power	54,467.00	46,150.72	60,488.74	54,467.00	60,488.74
	Total	**115,589.16**	**122,801.71**	**151,508.88**	**115,589.16**	**151,508.88**
	Segment Liabilities					
	a) Ferrous Products	59,247.52	86,126.62	69,170.22	59,247.52	69,170.22
	b) Metallurgical Coke with Co-generation Power	54,591.88	28,119.18	59,821.59	54,591.88	59,821.59
	Total	**113,839.40**	**114,245.80**	**128,991.81**	**113,839.40**	**128,991.81**
	Unallocated	441.35	421.21	347.78	441.35	347.78
	Total Capital employed	**2,191.11**	**8,977.12**	**22,864.85**	**2,191.11**	**22,864.85**

Standalone Statement of Assets and Liabilities:

(Rs. in lakhs)

	Particulars	As at 30/09/2017
		Unaudited
A	**ASSETS**	
1	**Non-current assets**	
	a) Property, plant and equipment	80,302.07
	b) Capital work-in-progress	3,058.26
	c) Other Intangible assets	0.99
	d) Financial assets	
	(i) Investments	80.77
	(ii) Other financial assets	406.06
	f) Other non-current assets	1,079.09
	Total Non-current assets	**84,927.24**
2	**Current assets**	
	a) Inventories	10,381.34
	b) Financial assets	
	(i) Trade receivables	10,537.22
	(ii) Cash and cash equivalents	1,204.80
	(iii) Bank balances other than (ii) above	5,556.62
	c) Other current assets	3,462.72
	Total Current assets	**31,142.70**
	TOTAL ASSETS (1 + 2)	**116,069.94**
B	**EQUITY AND LIABILITIES**	
1	**Equity:**	
	a) Equity share capital	5,090.00
	b) Other equity	(2,898.89)
	Total Equity (A)	**2191.11**
2	**LIABILITIES**	
i	**Non-current liabilities**	
	a) Financial liabilities	
	(i) Borrowings	24,834.86
	b) Provisions	630.17
	Total Non-Current Liabilities	**25,465.03**
ii	**Current liabilities**	
	a) Financial liabilities	
	(i) Borrowings	53,602.14
	(ii) Trade payables	12,821.53
	(iii) Other financial liabilities	19,941.50
	b) Other current liabilities	2,000.24
	c) Provisions	48.39
	Total Current Liabilities	**88,413.80**
	TOTAL LIABILITIES (B)	**113,878.83**
	TOTAL EQUITY AND LIABILITIES (A+B)	**116,069.94**

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Notes:

1 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 8th December 2017 and also been subjected to Limited Review by the Statutory Auditors of the Company. The Limited Review Report of the Auditors on these financial statements is an unqualified report.

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 Joint Lenders Forum (JLF) of secured lenders has reviewed the structuring of Company's debt with the bankers under Scheme for Sustainable Structuring of Stressed Assets (S4A) in the company and after deliberations and considering the lack of adequate cash flows as on reference date i.e.07-Jun-2017 i.e. the cash flows available from the current as well as immediately prospective (not more than six months) level of operations concluded that the S4A scheme cannot be implemented. At the request of the Company the JLF was in-principally agreeable to examine the other options including deep restructuring of the debt. Based on the impracticability / non-feasibility of implementation of S4A scheme some banks have classified the debt of the company as nonperforming asset with effect from June 30, 2017.

4 As at 30 September 2017, the company had accumulated losses and the company has incurred losses during the preceding two years. The company has delayed payment of loans and interest and certain loan accounts have been classified as nonperforming 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 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 financing institutions 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 Company views that the deep restructuring will help in restart and establish profitable operations of the company and would be able to meet commitments and reduce debts. The auditors of the company had drawn an emphasis of matter paragraph in their limited review report for the quarter in this regard.

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

6 The Ind AS compliant financial results, pertaining to the quarter and six months ended 30th September, 2016 and for the year ended 31st March, 2017 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.

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

8 The Government of India introduced Goods and Services Tax (GST) with effect from 1st July 2017. Revenue from operations for the quarter ended 30th September is presented net of GST. Accordingly revenue for operations for the six months ended 30th September 2017 includes excise duty up to 30th June 2017 of Rs.494.34 lakhs. Revenue from operations of earlier periods includes excise duty which is now subsumed in GST.

9 The Company have considered fair value for property, viz land admeasuring over 271.51 acres, situated in India, with impact of Rs. 5,535.92 Lakhs in accordance with stipulations of Ind AS 101 with the resultant impact being accounted for in the reserves.

10 The Company along with some other buyers of Iron Ore contested before the Hon'ble High Court of Karnataka (HC) the levy of Forest Development Tax (FDT) by the miners 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 Rs.2325.73 lakhs towards FDT collected in the earlier years. However Government of Karnataka and some 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..

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

(Rs. In Lakhs)

Description	For the quarter ended 30/09/2016	For the Half Year ended 30/09/2016
	Unaudited	Unaudited
Net Profit/ (Loss) as per Previous GAAP (India GAAP)	205.02	477.98
Ind AS adjustments: Add/ (Less):		
Actuarial Loss / (Gain) on post employee defined benefit plan recognised in	7.06	(14.13)
Loans recognised using effective rate of interest	(22.92)	(53.78)
Prior period Adjustments (net)	28.37	156.34
Others	7.40	15.96
Net Profit/ (Loss) as per Ind AS	**224.93**	**582.37**
Items that will not be reclassified to Profit or Loss	(7.06)	14.13
Total Comprehensive income for the period	**217.87**	**596.50**

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

Hyderabad
08.12.2017

MAJETI & CO. HYDERABAD Chartered Accountants

For and on behalf of Board of Directors
Sathavahana Ispat Limited

(A. Naresh Kumar)
Managing Director

MAJETI & CO
Chartered Accountants

INDEPENDENT AUDITOR'S REVIEW REPORT

TO
THE BOARD OF DIRECTORS OF
SATHAVAHANA ISPAT LIMITED

We have reviewed the Standalone Unaudited financial results of **SATHAVAHANA ISPAT LIMITED** ("the company") for the quarter ended September 30, 2017 which are included in the accompanying 'Statement of Unaudited Financial Results for the Quarter and Six Months ended September 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 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.

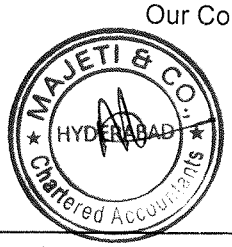
We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform 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, 2015 read 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.

We draw attention to

a) Note no 4 to the statement, regarding the losses incurred by the company in earlier years and accumulated losses as at September 30, 2017, defaults in repayment of loan and interest payments and shutdown of the operations since June 12, 2017 due to non-availability of working capital funds. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, the statement has been prepared based on going concern basis for the reasons described in the said note.

Our Conclusion is not qualified in respect of these matters.



101, Ganesh Siri Sampada Apts., | 6-3-347/17, Dwarakapuri Colony Sai Baba Temple Road,| Punjagutta, Hyderabad - 500 082.
✆ Off. : +91-40-2335 8055, +91-40-97015 54499 | E-mail : kiranmajeti@outlook.com

b) Note 2 to the statement which states that the Company has adopted Ind AS for the financial year commencing from April 1, 2017with transition date April 1, 2016, and accordingly, the Statement has been prepared by the Company's Management in compliance with Ind AS.

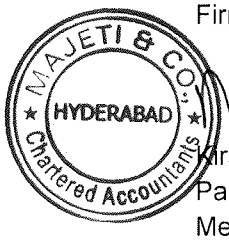
We were neither engaged to review, nor we have reviewed the comparative figures including reconciliation to the Total Comprehensive Income for the quarter and six months ended on September 30, 2016 and accordingly we do not express any conclusion on the results in the statement for the quarter and six months ended September 30, 2016. As set out in Note 5 to the statement, these figures have been furnished by the management.

The Financial Results of the Company for the quarter ended June 30, 2017, September 30, 2016 and for six months ended September 30, 2016 are prepared in accordance with Companies (Indian Accounting Standards) Rules 2015, were reviewed by another firm of Chartered Accountants who issued their unmodified conclusion, vide their reports dated September 14,2017, and November 14,2016 respectively.

The Financial Statements of the Company for the year ended March 31,2017 was audited by another firm of Chartered Accountants who issued their unmodified conclusion vide their report dated May 30,2017.

Our Conclusion is not qualified in respect of these matters.

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



Kiran Kumar Majeti
Partner
Membership Number: 220354

Hyderabad
December 08, 2017