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

Dated: 16th November 2010

To,
The National Stock Exchange of India Limited,
Regd. Office: "Exchange Plaza",
Bandra-Kurla Complex, Bandra (East),
MUMBAI – 400 051

Dear Sirs,

SUB: SUBMISSION OF INFORMATION UNDER CLAUSE 36 OF THE LISTING AGREEMENT ENTERED INTO BY THE COMPANY.

REF: STOCK CODE: SATHAISPAT

Pursuant to clause 36 of the Listing Agreement entered into by the Company, we hereby inform that the Board of Directors at its meeting held on 16th November 2010, inter alia considered and approved the following:

1.	Seek approval of Members for enhanced borrowing powers in excess of capital of the company and its free reserves subject to a limit of Rs.1000 crores (apart from temporary loans obtained and to be obtained from the Company's bankers in the ordinary course of business).
2.	Subject to approval of Members and other statutory authorities, if any, issue of 42,00,000 Share Warrants by private placement on Preferential basis to Ganapati Adusumilli Fininvest Private Limited, an associate concern of Promoters Group at issue price of Rs.60/- (including premium of Rs.50/-) per Share Warrant with option to convert each Share Warrant by exchange / surrender for one Equity Share of Rs.10/- at a future date, which upon full conversion to Equity would account for 10.94% of expanded paid up capital of the company. The Promoters' Group holding will go up from 36.20% to 42.43% on the expanded capital of the company. The issue price of Share Warrant is higher than the price determined under SEBI Regulations for pricing of preferential issue with reference to the relevant date 15.11.2010 i.e. 30 days prior to the date of Extraordinary General Meeting.
3.	Subject to approval of Members and other statutory authorities, if any, issue of Equity Shares to Stemcor AG, a Body Corporate incorporated out side India and an existing shareholder of the Company by Private Placement on Preferential allotment basis at issue price of Rs.60/- (including premium of Rs.50/-) per Equity Share. Stemcor AG holding will go up from the existing 14.67% to 14.84% on the expanded capital of the Company. The issue price of Equity shares is higher than the price determined under SEBI Regulations for pricing of preferential issue with reference to the relevant date 15.11.2010 i.e. 30 days prior to the date of Extraordinary General Meeting.

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Note : Please address all the correspondence to head office

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4.	The issue proceeds of Share Warrants and Equity Shares are to part finance project cost of the Integrated Project for manufacture of Ductile Iron Pipes, Sinter Plant, Captive Thermal Plant and Modernization of Blast Furnace and other business needs.
5.	Calling of an Extraordinary General Meeting on 15th December 2010 for the approval of the Preferential Issue and allotment of Share Warrants and Equity Shares.

Kindly take the above on record.

Thanking you,

Yours faithfully,
For SATHAVAHANA ISPAT LIMITED,

(A.NARESH KUMAR)
MANAGING DIRECTOR

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