# SATHAVAHANA ISPAT LIMITED

CIN : L27109AP1989PLC010654

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


**BY FAX / COURIER**

REF: SIL/SEC/1407/2014

Dated: 30th May, 2014

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.

COMPANY CODE: **SATHAISPAT.**

Dear Sir,

SUB: SUBMISSION OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2014.

* * *

Pursuant to Clause 41 of the Listing Agreement, we submit herewith a statement of Audited Financial Results of the Company for the year ended 31st March, 2014 as reviewed by the Audit Committee and approved and taken on record by the Board of Directors of the Company at its meeting held on 30th May, 2014.

Further we report the following financial results summary pursuant to Clause 20:

(Rs. in Lakhs)

| S.No. | Particulars | 2013-14 | 2012-13 |
|---|---|---|---|
| 1. | Net Turnover | 93807.03 | 75136.07 |
| 2. | Gross Profit / (Loss) (PBDIT) | 3698.18 | 10054.46 |
| | Less: (a) Finance costs | 6821.23 | 7150.19 |
| | (b) Depreciation | 2317.51 | 2325.06 |
| | (c) Tax expense | 362.11 | 359.27 |
| 3. | Net Profit / (Loss) after Tax | (5802.67) | 219.94 |
| 4. | Accumulated Profits (Reserve & Surplus) | 12774.71 | 15327.37 |
| 5. | Amounts appropriated: | | |
| | (a) General Reserve | 0.00 | 0.00 |
| | (b) Dividend (Current year Nil, Previous year Nil) | 0.00 | 0.00 |
| | (c) Corporate Dividend Tax | 0.00 | 0.00 |

(Contd...2)

Note : Please address all the correspondence to head office

This may please be noted and taken on record and relay the same to the esteemed members of the stock exchange.

Thanking you,

Yours faithfully
For SATHAVAHANA ISPAT LIMITED

(K.V. KRISHNA RAO)
CFO & COMPANY SECRETARY

Encl: As above

# SATHAVAHANA ISPAT LIMITED

CIN:L27109AP1989PLC010654
Regd.Office: 314, Sri Rama Krishna Towers, Nagarjuna Nagar, Hyderabad - 500 073
email: sathavahana@eth.net

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2014

PART I

(Rs. in Lakhs)

| | PARTICULARS | Quarter ended | | | Current year ended | Previous year ended |
|---|---|---|---|---|---|---|
| | | 31.03.2014 | 31.12.2013 | 31.03.2013 | 31.03.2014 | 31.03.2013 |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) | (Audited) |
| 1 | Income from operations | | | | | |
| | (a) Net Sales / Income from operations (net of excise duty) | 17428.39 | 23041.20 | 16562.96 | 93806.96 | 75136.05 |
| | (b) Other Operating Income | 0.05 | 0.00 | 0.00 | 0.07 | 0.02 |
| | Total Income from operations (net) | 17428.44 | 23041.20 | 16562.96 | 93807.03 | 75136.07 |
| 2 | Expenses | | | | | |
| | a) Cost of Materials consumed | 18297.91 | 17422.57 | 15617.18 | 67409.82 | 59605.14 |
| | b) Purchase of stock-in-trade | 0.00 | 0.00 | 0.00 | 7290.27 | 304.91 |
| | c) Changes in inventories of finished goods, work-in-progress and stock-in-trade. | (3740.86) | 1720.80 | (2572.98) | 5353.07 | (890.40) |
| | d) Employee benefits expense | 512.22 | 470.20 | 461.27 | 1814.90 | 1442.67 |
| | e) Depreciation and amortisation expense | 591.57 | 473.79 | 616.25 | 2317.51 | 2325.06 |
| | f) Foreign exchange fluctuations (other than considered as finance cost) | 0.00 | 0.00 | 0.00 | 3563.91 | 776.85 |
| | g) Other expenses | 1582.73 | 1530.65 | 1977.26 | 5561.64 | 5126.98 |
| | h) Total expenses | 17243.57 | 21618.01 | 16098.98 | 93311.12 | 68691.21 |
| 3 | Profit / (Loss) from Operations before Other Income, finance costs & Exceptional Items (1-2) | 184.87 | 1423.19 | 463.98 | 495.91 | 6444.86 |
| 4 | Other Income | 2390.71 | 1722.37 | 2046.43 | 884.76 | 1284.54 |
| 5 | Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4) | 2575.58 | 3145.56 | 2510.41 | 1380.67 | 7729.40 |
| 6 | Finance costs | | | | | |
| | a) Interest and other borrowing costs | 984.80 | 1493.06 | 1048.21 | 5040.59 | 4339.03 |
| | b) Net loss on foreign currency transactions and translation | 114.49 | 649.95 | 1090.76 | 1780.64 | 2811.16 |
| 7 | Profit / (Loss) from ordinary activities after finance costs but before Exceptional Items (5-6) | 1476.29 | 1002.55 | 371.44 | (5440.56) | 579.21 |
| 8 | Exceptional Items | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **9** | **Profit(+) / Loss (-) from Ordinary activities before tax (7+8)** | **1476.29** | **1002.55** | **371.44** | **(5440.56)** | **579.21** |
| 10 | Tax expense | 364.28 | 131.70 | 227.37 | 362.11 | 359.27 |
| **11** | **Net Profit(+) / Loss (-) from Ordinary activities after Tax (9-10)** | 1112.01 | 870.85 | 144.07 | (5802.67) | 219.94 |
| 12 | Extraordinary items (net of tax expense Rs.Nil) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **13** | **Net Profit (+) / Loss (-) for the period/ year (11-12)** | **1112.01** | **870.85** | **144.07** | **(5802.67)** | **219.94** |
| 14 | Paid-up equity share capital (Face value of the share Rs.10/- each) | 5090.00 | 3840.00 | 3840.00 | 5090.00 | 3840.00 |
| 15 | Reserve excluding Revaluation Reserves as per balance sheet | -- | -- | -- | 12774.71 | 15327.37 |
| 16 | Earnings / (Loss) Per Share before extraordinary items of Rs.10/- each (not annualised) in Rs. | | | | | |
| | (a) Basic | 2.78 | 2.26 | 0.38 | (14.50) | 0.59 |
| | (b) Diluted | 2.18 | 2.26 | 0.38 | (14.50) | 0.57 |
| 17 | Earnings / (Loss) Per Share after extraordinary items of Rs.10/- each (not annualised) in Rs. | | | | | |
| | (a) Basic | 2.78 | 2.26 | 0.38 | (14.50) | 0.59 |
| | (b) Diluted | 2.18 | 2.26 | 0.38 | (14.50) | 0.57 |
| | Please see accompanying notes to the financial results | | | | | |
| PART II: Select information for the quarter / year ended 31st March 2014 | | | | | | |
| A | PARTICULARS OF SHAREHOLDING: | | | | | |
| 1 | Public Shareholding: | | | | | |
| | - Number of shares | 32089910 | 22109910 | 22109910 | 32089910 | 22109910 |
| | - percentage of shareholding | 63.05 | 57.58 | 57.58 | 63.05 | 57.58 |
| 2 | Promoters and promoter group Shareholding: | | | | | |
| | a) Pledged / Encumbered : | | | | | |
| | - Number of Shares | -- | -- | -- | -- | -- |
| | - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | -- | -- | -- | -- | -- |
| | - Percentage of shares (as a % of the total share capital of the Company) | -- | -- | -- | -- | -- |
| | b) Non-encumbered: | | | | | |
| | - Number of Shares | 18810090 | 16290090 | 16290090 | 18810090 | 16290090 |
| | - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| | - Percentage of shares (as a % of the total share capital of the Company) | 36.95 | 42.42 | 42.42 | 36.95 | 42.42 |

| B | INVESTOR COMPLAINTS: | Quarter ended |
|---|---|---|
| | Particulars | 31.03.2014 |
| | Pending at the beginning of the quarter | Nil |
| | Received during the quarter | 1 |
| | Disposed during the quarter | 1 |
| | Remaining unresolved at the end of the quarter | Nil |

## SEGMENT REPORTING:

(Rs. In lakhs)

| | PARTICULARS | Quarter ended | | | Current year ended | Previous year ended |
|---|---|---|---|---|---|---|
| | | 31.03.2014 | 31.12.2013 | 31.03.2013 | 31.03.2014 | 31.03.2013 |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) | (Audited) |
| 1 | Segment Revenue: | | | | | |
| | (a) Pig Iron | 8445.54 | 7026.16 | 4315.28 | 31938.62 | 18797.27 |
| | (b) Metallurgical Coke with Co-generation Power | 14004.10 | 20926.14 | 16046.80 | 80717.75 | 66508.32 |
| | **Total** | 22449.64 | 27952.30 | 20362.08 | 112656.37 | 85305.59 |
| | Less: Inter /Intra Segment Revenue | 5021.20 | 4911.10 | 3799.12 | 18849.34 | 10169.52 |
| | **Net Sales / Income from Operations** | 17428.44 | 23041.20 | 16562.96 | 93807.03 | 75136.07 |
| 2 | Segment Results (Profit(+) / Loss (-) before Tax and interest: | | | | | |
| | (a) Pig Iron | 1058.82 | (552.72) | (1299.80) | (2592.30) | (3573.12) |
| | (b) Metallurgical Coke with Co-generation Power | 1569.74 | 2761.52 | 2520.13 | 1803.54 | 7589.43 |
| | Total | 2628.56 | 2208.80 | 1220.33 | (788.76) | 4016.31 |
| | Less: (i) Interest (net) | 783.01 | 783.95 | 688.79 | 3118.16 | 2912.97 |
| | (ii) Other Un-allocable Expenditure (net) | 369.26 | 422.30 | 160.10 | 1533.64 | 524.13 |
| | **Total Profit (+) / Loss (-) before Tax** | 1476.29 | 1002.55 | 371.44 | (5440.56) | 579.21 |
| 3 | Capital Employed (Segment assets - Segment liabilities) | | | | | |
| | (a) Pig Iron | 9110.03 | 5824.65 | 2445.57 | 9110.03 | 2445.57 |
| | (b) Metallurgical Coke with Co-generation Power | 9900.73 | 6354.62 | 18294.13 | 9900.73 | 18294.13 |
| | (c) Unallocated | 1247.67 | 6633.31 | 488.70 | 1247.67 | 488.70 |
| | **Total** | 20258.43 | 18812.58 | 21228.40 | 20258.43 | 21228.40 |

## STATEMENT OF ASSETS AND LIABILITIES

(Rs. In lakhs)

| | Particulars | As at 31.03.2014 | As at 31.03.2013 |
|---|---|---|---|
| **A** | **EQUITY AND LIABILITIES** | | |
| 1 | Shareholders' funds | | |
| | (a) Share capital | 5090.00 | 3840.00 |
| | (b) Reserves and surplus | 12774.71 | 15327.37 |
| | Sub-total - Shareholders funds | 17864.71 | 19167.37 |
| 2 | Non-current liabilities | | |
| | (a) Long-term borrowings | 32779.40 | 19150.18 |
| | (b) Deferred tax liabilities (net) | 2393.73 | 2061.02 |
| | (c) Other long-term liabilities | 704.42 | 842.99 |
| | (d) Long-term provisions | 132.50 | 179.30 |
| | Sub-total - Non-current liabilities | 36010.05 | 22233.49 |
| 3 | Current liabilities | | |
| | (a) Short-term borrowings | 42761.90 | 33992.73 |
| | (b) Trade payables | 25772.85 | 21251.91 |
| | (c) Other current liabilities | 20498.54 | 8431.00 |
| | (d) Short-term provisions | 220.58 | 101.50 |
| | Sub-total - Current liabilities | 89253.87 | 63777.14 |
| | **TOTAL - EQUITY AND LIABILITIES** | **143128.63** | **105178.00** |
| **B** | **ASSETS** | | |
| 1 | Non-current assets | | |
| | (a) Fixed Assets | 73988.20 | 50005.41 |
| | (b) Non-current investments | 22.15 | 17.72 |
| | (c) Long-term loans and advances | 3937.47 | 1938.55 |
| | (d) Other non-current assets | 978.21 | 906.64 |
| | Sub-total - Non-current assets | 78926.03 | 52868.32 |
| 2 | Current Assets | | |
| | (a) Inventories | 19006.17 | 25471.81 |
| | (b) Trade receivables | 16692.16 | 13240.25 |
| | (c) Cash and cash equivalents | 22824.33 | 11149.92 |
| | (d) Short-term loans and advances | 5093.19 | 1986.96 |
| | (e) other current assets | 586.75 | 460.74 |
| | Sub-total - Current assets | 64202.60 | 52309.68 |
| | **TOTAL - ASSETS** | **143128.63** | **105178.00** |



NOTES:

1. Company's business consists of two Reportable segments viz., Pig Iron and Metallurgical Coke with Co-generation Power.
2. The above financial results for the quarter / year ended 31st March 2014 were reviewed by the Audit Committee and approved and taken on record at the meeting of the Board of Directors held on 30th May 2014
3. The utilisation of proceeds of preferential issue made in the year 2013-14 as at 31st March 2014 is as under : in Rs. Lakhs:

| | |
|---|---|
| 1.Amount incurred on Project and other related business expenditure | 35000 |
| 2.Amount in current account with bank | 10000 |
| Total amount | 45000 |

4. The capital works on Sinter plant, Ductile Iron Pipe making plant and captive thermal Power plant are in final stages of implementation and expected to be commissioned very shortly.
5. The loss during the year was mainly due to foreign exchange losses, high interest expense and sub dued market conditions.
6. The Company has not declared any dividend for the financial year 2013-14 in view of the loss and funds commitment to the ongoing project.
7. The figures of last quarter ended 31st March 2014 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter ended 31st December 2013 of the current financial year.
8. The figures have been regrouped / rearranged wherever necessary so as to conform to the quarter / year ended results.

For and on behalf of Board of Directors
SATHAVAHANA ISPAT LIMITED

(NARESH KUMAR A)
MANAGING DIRECTOR

Place: Hyderabad,
Date :30.05.2014