



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



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:

Description	(Rs. In Lakhs)
	For the quarter ended 30th June 2016
Net Profit/ (Loss) as per Previous GAAP (India GAAP)	272.96
Ind AS adjustments: Add/ (Less)	
Actuarial 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 financing institutions and banks.
- 9 Figures of the previous period have been rearranged/ regrouped wherever necessary.

HYDERABAD
14.09.2017

FOR IDENTIFICATION
PDRPINE ONLY



For and on behalf of Board of Directors
SATHAVAHANA ISPAT LIMITED



(Signature)
(NARESH KUMAR A)
MANAGING DIRECTOR