




SATHAVAHANA ISPAT LIMITED

Regd. Office: 314, Sri Rama Krishna Towers, Nagarjuna Nagar, Hyderabad - 500 073

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2012

| PART I | | | | | | | (Rs. in Lakhs) |
|---|--|-------------|-------------|-------------------|-------------|---------------------|----------------|
| PARTICULARS | Quarter ended | | | Nine months ended | | Previous year ended | |
| | 31.12.2012 | 30.09.2012 | 31.12.2011 | 31.12.2012 | 31.12.2011 | 31.03.2012 | |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) | |
| 1 Income from operations | | | | | | | |
| (a) Net Sales / Income from operations (net of excise duty) | 13086.64 | 13255.74 | 18394.80 | 58573.09 | 42848.18 | 63292.89 | |
| (b) Other Operating Income | 0.00 | 0.00 | 27.43 | 0.02 | 70.44 | 70.99 | |
| Total Income from operations (net) | 13086.64 | 13255.74 | 18422.23 | 58573.11 | 42918.62 | 63363.88 | |
| 2 Expenses | | | | | | | |
| a) Cost of Materials consumed | 14586.46 | 8553.87 | 15099.67 | 44304.14 | 42780.28 | 58199.83 | |
| b) Purchase of stock-in-trade | 0.00 | 304.91 | 0.00 | 304.91 | 0.00 | 0.00 | |
| c) Changes in inventories of finished goods, work-in-progress and stock-in-trade. | (6935.15) | 726.79 | 2783.64 | 1366.40 | (6943.18) | (1051.60) | |
| d) Employee benefits expense | 357.47 | 266.94 | 491.18 | 981.40 | 1195.24 | 1423.20 | |
| e) Depreciation and amortisation expense | 560.04 | 569.74 | 493.51 | 1708.81 | 1471.88 | 1989.99 | |
| f) Foreign exchange fluctuations (other than considered as finance cost) | 106.63 | 0.00 | 1754.62 | 2372.81 | 4185.62 | 3643.09 | |
| g) Other expenses | 447.20 | 1436.07 | 1624.00 | 3149.72 | 3948.54 | 4728.89 | |
| h) Total expenses | 9122.65 | 11858.32 | 22246.62 | 54188.19 | 48638.38 | 68933.40 | |
| 3 Profit / (Loss) from Operations before Other Income, finance costs & Exceptional Items (1-2) | 3963.99 | 1397.42 | (3824.39) | 4384.92 | (3719.76) | (5569.52) | |
| 4 Other Income | 267.26 | 2777.65 | 173.16 | 834.07 | 650.56 | 1206.04 | |
| 5 Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4) | 4231.25 | 4175.07 | (3651.23) | 5218.99 | (3069.20) | (4363.48) | |
| 6 Finance costs: | | | | | | | |
| a) Interest and other borrowing costs | 1056.06 | 1063.09 | 834.83 | 3290.82 | 2369.31 | 4243.20 | |
| b) Net loss on foreign currency transaction and translation | 1720.40 | 0.00 | 103.27 | 1720.40 | 103.27 | 91.19 | |
| 7 Profit / (Loss) from ordinary activities after finance costs but before Exceptional Items (5-6) | 1454.79 | 3111.98 | (4589.33) | 207.77 | (5541.78) | (8697.87) | |
| 8 Exceptional Items | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 9 Profit / (Loss) from Ordinary activities before tax (7+8) | 1454.79 | 3111.98 | (4589.33) | 207.77 | (5541.78) | (8697.87) | |
| 10 Tax expense | 67.19 | 12.75 | 56.08 | 131.90 | 133.20 | (753.08) | |
| 11 Net Profit / (Loss) from Ordinary activities after Tax (9-10) | 1387.60 | 3099.23 | (4645.41) | 75.87 | (5674.98) | (7944.79) | |
| 12 Extraordinary items (net of tax expense Rs.Nil) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 13 Net Profit / (Loss) for the period/ year (11-12) | 1387.60 | 3099.23 | (4645.41) | 75.87 | (5674.98) | (7944.79) | |
| 14 Paid-up equity share capital (Face value of the share Rs.10/- each) | 3840.00 | 3840.00 | 3460.00 | 3840.00 | 3460.00 | 3643.00 | |
| 15 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year | -- | -- | -- | -- | -- | 14122.43 | |
| 16 Earnings / (Loss) Per Share before extraordinary items of Rs.10/- each (not annualised) in Rs. | | | | | | | |
| (a) Basic | 3.70 | 8.26 | (13.43) | 0.20 | (16.40) | (22.96) | |
| (b) Diluted | 3.61 | 8.08 | (13.43) | 0.20 | (16.40) | (22.96) | |
| 17 Earnings / (Loss) Per Share after extraordinary items of Rs.10/- each (not annualised) in Rs. | | | | | | | |
| (a) Basic | 3.70 | 8.26 | (13.43) | 0.20 | (16.40) | (22.96) | |
| (b) Diluted | 3.61 | 8.08 | (13.43) | 0.20 | (16.40) | (22.96) | |
| Please see accompanying notes to the financial results | | | | | | | |
| PART II : Select information for the quarter / nine months ended 31st December 2012 | | | | | | | |
| A | PARTICULARS OF SHAREHOLDING: | | | | | | |
| 1 | Public Shareholding: | | | | | | |
| | - Number of shares | 22109910 | 22109910 | 22109910 | 22109910 | 22109910 | |
| | - percentage of shareholding | 57.58 | 57.58 | 57.58 | 57.58 | 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 (including share warrants) | 16290090 | 16290090 | 16290090 | 16290090 | 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) | 42.42 | 42.42 | 42.42 | 42.42 | 42.42 | |



| B INVESTOR COMPLAINTS: | | Quarter ended | | | | |
|---|-----------------|-----------------|---|-------------------|------------------|---------------------|
| Particulars | | 31.12.2012 | | | | |
| Pending at the beginning of the quarter | | Nil | | | | |
| Received during the quarter | | 3 | | | | |
| Disposed during the quarter | | 3 | | | | |
| Remaining unresolved at the end of the quarter | | Nil | | | | |
| SEGMENT REPORTING: | | | | (Rs. In lakhs) | | |
| PARTICULARS | Quarter ended | | | Nine months ended | | Previous year ended |
| | 31.12.2012 | 30.09.2012 | 31.12.2011 | 31.12.2012 | 31.12.2011 | 31.03.2012 |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| 1 Segment Revenue: | | | | | | |
| (a) Pig Iron | 66.04 | 3082.46 | 7388.85 | 14481.99 | 19327.37 | 27624.27 |
| (b) Metallurgical Coke with Co-generation Power | 13409.57 | 10904.52 | 15191.85 | 50461.53 | 33490.20 | 53168.05 |
| Total | 13475.61 | 13986.98 | 22580.70 | 64943.52 | 52817.57 | 80792.32 |
| Less: Inter /Intra Segment Revenue | 388.97 | 731.24 | 4185.90 | 6370.41 | 9969.39 | 17499.43 |
| Net Sales / Income from Operations | 13086.64 | 13255.74 | 18394.80 | 58573.11 | 42848.18 | 63292.89 |
| 2 Segment Results (Profit / (Loss) before Tax and interest: | | | | | | |
| (a) Pig Iron | (443.01) | (190.79) | (1430.49) | (2273.32) | (2018.00) | (3492.05) |
| (b) Metallurgical Coke with Co-generation Power | 2759.19 | 4116.92 | (2226.00) | 5069.30 | (1118.57) | (1846.38) |
| Total | 2316.18 | 3926.13 | (3656.49) | 2795.98 | (3136.57) | (5338.43) |
| Less: (i) Interest (net) | 717.92 | 698.48 | 766.84 | 2224.18 | 2036.66 | 2910.95 |
| (ii) Other Un-allocable Expenditure (net) | 143.47 | 115.67 | 166.00 | 364.03 | 368.55 | 448.49 |
| Total Profit / (Loss) before Tax | 1454.79 | 3111.98 | (4589.33) | 207.77 | (5541.78) | (8697.87) |
| 3 Capital Employed (Segment assets - Segment liabilities) | | | | | | |
| (a) Pig Iron | 4939.46 | 6922.47 | 5350.84 | 4939.46 | 5350.84 | 10480.29 |
| (b) Metallurgical Coke with Co-generation Power | 11477.14 | 7709.08 | 11361.06 | 11477.14 | 11361.06 | 6036.39 |
| (c) Unallocated | 1026.02 | 988.92 | 328.49 | 1026.02 | 328.49 | 1694.21 |
| (d) Projects under implementation | 3412.70 | 3780.06 | 5021.27 | 3412.70 | 5021.27 | 1550.17 |
| Total | 20855.32 | 19400.53 | 22061.66 | 20855.32 | 22061.66 | 19761.06 |
| 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 / nine months ended 31st December 2012 were reviewed by the Audit Committee and approved and taken on record at the meeting of the Board of Directors held on 14th February 2013 | | | | | | |
| 3. The above financial results for the quarter / nine months ended 31st December 2012 were subjected to 'Limited Review' by the Statutory Auditors of the company. | | | | | | |
| 4. The utilisation of proceeds of preferential issue made on 15.03.2011 as on 31st December 2012 is as under : in Rs. Lakhs: | | | | | | |
| 1.Amount incurred on Project and other related business expenditure | | | | 2409.90 | | |
| 2.Amount in current account and fixed deposit with bank | | | | 590.10 | | |
| Total amount | | | | 3000.00 | | |
| 5. The capital works on integrated project at Haresamudram Village, Bommanahal Mandal, Anantapur District, Andhra Pradesh are in progress. Blast Furnace Modernisation as a part of the Integrated Project has been commissioned and restarted on 8th January 2013. Accordingly there is no Pig Iron production during the quarter. | | | | | | |
| 6. The figures have been regrouped / rearranged wherever necessary so as to conform to the quarter / nine months ended results. | | | | | | |
| Place: Hyderabad, Date : 14.02.2013 | | |  <p>For and on behalf of Board of Directors SATHAVAHANA IRON & STEEL LIMITED <i>(Signature)</i> (NARESH KUMAR A) MANAGING DIRECTOR</p> | | | |



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

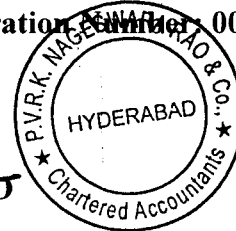
LIMITED REVIEW REPORT

We have reviewed the accompanying statement of unaudited financial results of **SATHAVAHANA ISPAT LIMITED** for the period ended **31st December, 2012** except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors / Committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, Engagements to Review Financial Statements 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides 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 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

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



N. Anka Rao
N. ANKA RAO

Partner

Membership Number: 23939

**HYDERABAD
14.02.2013**