



SATHAVAHANA ISPAT LIMITED

Reg. Off : 505, Block 1, Divyashakti Complex, Ameerpet, Hyderabad – 500 016.
 Phones : 237330812,3,4 E-mail : info@sathavahana.com web : www.sathavahana.com

13th November, 2021

To BSE Limited, Corporate Relationship Department, P.J Towers, Dalal Street, Mumbai – 400001	To National Stock Exchange of India Limited, Listing Department, Regd. Office: "Exchange Plaza", Bandra Kurla Complex, Mumbai – 400051
SCRIP CODE:526093	SCRIP CODE: SATHAISPAT

Dear Sir/Madam,

Sub: Un-audited Financial Results for the Quarter ended September 30, 2021,

This is in continuation to our intimation dated November 5, 2021 regarding declaration of results on November 13, 2021. The Unaudited Financial Results of the Company for the quarter and half year ended September 30, 2021 along with the Limited Review Report issued by Majeti & Co., the Statutory Auditors, pursuant to Regulation 33 of the Listing Regulations. The said results along with Limited Review Report thereon are attached herewith.

As you are aware that the company is under Corporate Insolvency Resolution Process (CIRP) in terms of the Order of Hon'ble NCLT Hyderabad Bench dated 8th September, 2021. The powers of Board of Directors are suspended and are vested in the Resolution Professional and Company's affairs, business and assets are being managed by the Resolution Professional. The results were signed by Mr. V.S.R.K Hanuman, Chief financial officer, Mr. A. Naresh Kumar, Managing Director and Mr. Bhuvan Madan, Resolution Professional at 01:30 PM.

Thanking You,

Yours faithfully,

For SATHAVAHANA ISPAT LIMITED

Hanuman V.S.R.K



V.S.R.K Hanuman
Chief Financial Officer



SATHAVAHANA ISPAT LIMITED
CIN :L27109TG1989PLC010654

Regd. Office: Flat No. 505, 5th Floor, Block-I, Divyashakthi Complex, Ameerpet, Hyderabad - 500 016
 Email: cfo@sathavahana.com www.sathavahana.com

Statement of Unaudited Financial results for the Quarter and Six Months Ended September 30, 2021

(Rs. In Lakhs, except as stated)

S.No	Particulars	Quarter ended			Six Months Ended		Year Ended
		30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	INCOME						
	Revenue from operations	679.84	1085.39	655.48	1765.23	1711.67	2676.09
	Other income	298.71	8.85	30.90	307.56	37.18	1063.89
	Total income	978.55	1094.24	686.38	2072.79	1748.85	3739.98
2	EXPENSES:						
	a) Cost of raw materials consumed	93.62	-	38.12	93.62	348.66	804.46
	b) Changes in inventories of finished goods and work in progress	-	38.61	183.96	30.61	605.50	659.50
	c) Employee benefits expense	282.86	229.50	213.56	512.36	427.16	1105.49
	d) Finance costs	7591.26	6322.64	5216.08	13913.90	10285.27	28123.17
	e) Depreciation and amortisation expense	1026.06	1020.95	1076.87	2047.01	2171.71	4230.53
	f) Other expenses	470.62	244.27	398.19	714.89	555.47	1417.19
	Total expenses	9464.42	7855.97	7126.78	17320.39	14473.77	36340.34
3	Loss before Exceptional items and tax (1-2)	(8485.87)	(6761.73)	(6440.40)	(15247.60)	(12724.92)	(32600.36)
4	Exceptional item	-	-	-	-	-	-
5	Loss before tax (3-4)	(8485.87)	(6761.73)	(6440.40)	(15247.60)	(12724.92)	(32600.36)
6	Tax expense						
	Current tax	-	-	-	-	-	-
	Deferred tax	-	-	-	-	-	-
	Total tax expense	-	-	-	-	-	-
7	Loss for the period from continuing operations (5-6)	(8485.87)	(6761.73)	(6440.40)	(15247.60)	(12724.92)	(32600.36)
8	Profit/(loss) from discontinued operations	-	-	-	-	-	-

S.No	Particulars	Quarter ended			Six Months Ended		Year Ended
		30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
3	Segment Assets						
	Ferrous Products	32143.40	34254.65	51809.69	32143.40	51809.69	50195.90
	Metallurgical Coke with Co-generation Power	42810.09	41714.62	28102.79	42810.09	28102.79	26460.53
	Total (A)	74953.49	75969.27	79912.48	74953.49	79912.48	76656.43
	Segment Liabilities						
	Ferrous Products	145238.16	138821.48	113107.61	145238.16	113107.61	129756.20
	Metallurgical Coke with Co-generation Power	46118.31	45077.69	48027.62	46118.31	48027.62	48082.07
	Total (B)	191356.47	183899.17	161135.23	191356.47	161135.23	177838.27
	Unallocated (Net) (C)	279.73	277.25	252.17	279.73	252.17	275.64
	Total (A-B+C)	(116123.25)	(107652.65)	(80970.58)	(116123.25)	(80970.58)	(100906.20)

STATEMENT OF ASSETS & LIABILITIES

Particulars	As at	
	30.09.2021	31.03.2021
	(Unaudited)	(Audited)
ASSETS		
I Non-current assets		
(a) Property, plant and equipment	62026.94	64078.38
(b) Capital work-in-progress	3343.19	3343.19
(c) Right-of-use asset	331.43	331.43
(d) Intangible assets	-	-
(e) Financial assets		
(i) Investments	22.96	19.74
(ii) Other financial assets	210.31	210.21
(f) Other non-current assets	874.65	868.66
Total Non-current assets	66809.48	68851.61
II Current assets		
(a) Inventories	2001.77	2136.31
(b) Financial assets		
(i) Trade receivables	4714.21	3773.26
(ii) Cash and cash equivalents	88.58	33.84
(iii) Bank balances other than (ii) above	0.10	227.54
(c) Other current assets	1619.07	1909.51
Total Current assets	8423.73	8080.46
TOTAL ASSETS	75233.21	76932.07
EQUITY AND LIABILITIES		
III Equity		
a) Equity share capital	5090.00	5090.00
b) Other equity	(12123.25)	(10596.20)
	(116123.25)	(100906.20)

STATEMENT OF CASH FLOWS

Particulars	For the Six Months Ended	
	30.09.2021	30.09.2020
	(Unaudited)	(Unaudited)
Cash flow from operating activities:		
(Loss) before tax	(15,247.60)	(12,724.92)
Adjustments for:		
Depreciation and amortisation expense	2,047.01	2,171.71
Unrealised foreign exchange loss (net)	1.39	-
Interest income from financial assets at amortised cost	-	(0.99)
Dividend income classified as investing activities	(0.06)	-
Finance cost	13,913.90	10,285.27
Net (gain)/loss arising on investments mandatorily measured at Fair value through profit and loss	(3.22)	(2.21)
Debit balance written off	44.91	-
Operating Profit/ (Loss) before working capital changes	756.33	(271.14)
Adjustments for:		
Trade receivables and other assets	(700.63)	94.64
Inventories	134.54	663.25
Trade payables, other liabilities and provisions	(357.33)	(599.08)
Cash generated from operating activities	(167.09)	(112.33)
Income tax (paid)/ Refund	(0.90)	119.74
Net cash inflow / (outflow) from operating activities	(167.99)	7.41
Cash flows from investing activities:		
Purchase of property, plant and equipment, intangibles and capital work-in-progress	(0.15)	-
Sale Proceeds from property, plant and equipment	4.58	-
Restricted Balances with Banks	227.44	-
Dividend received	0.06	-
Net cash inflow from investing activities	231.93	-
Cash flows from financing activities:		
Proceeds/(repayment) of long-term borrowings (net)	(7.76)	(3.20)
Proceeds/(repayment) of short-term borrowings (net)	(1.44)	5906.28
Finance costs (Charged to short-term borrowings)	0.00	(5906.98)
Finance costs paid	-	-23.76
Net cash (outflow) / inflow from financing activities	(9.20)	(27.66)
Net (decrease)/ Increase in cash and cash equivalents	54.74	(20.25)
Opening Cash and Cash Equivalents	33.84	327.54
Closing Cash and Cash Equivalents	88.58	307.29

Notes :

- As Per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Regulation') the financial results of a company submitted to the stock exchange shall signed by the Chairperson or Managing Director or Whole Time Director or in absence of all of them, it shall be signed by any director of the company who is duly authorized by the Board of Directors.

Authorised by Mr. Bhuvan Marjan in the capacity as

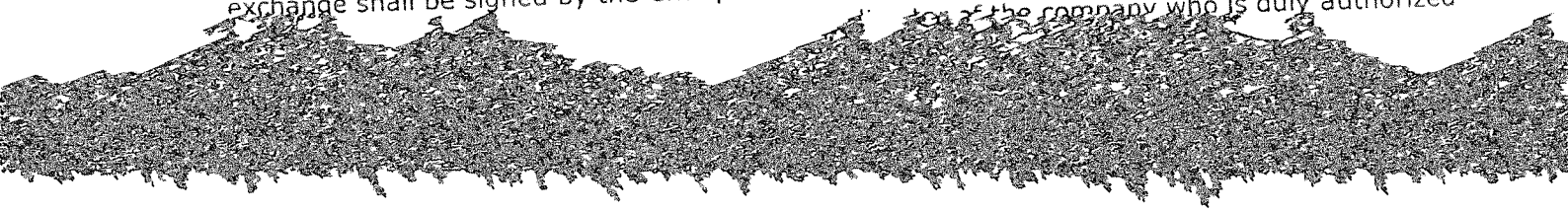


MAJETI & CO
Chartered Accountants

**INDEPENDENT AUDITOR'S REVIEW REPORT ON QUARTERLY AND YEAR TO DATE
UNAUDITED FINANCIAL RESULTS OF THE COMPANY PURSUANT TO THE REGULATION 33
OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS)
REGULATIONS, 2015, AS AMENDED**

**TO
The Resolution Professional
SATHAVAHANA ISPAT LIMITED**

- 1) The Hon'ble National Company Law Tribunal, Hyderabad Bench ('NCLT') admitted an Insolvency and bankruptcy petition filed by an operational creditor against SATHAVAHANA ISPAT LIMITED (the 'Company') and appointed Mr. Golla Ramakantha Rao to act as Interim Resolution Professional ('IRP') with a direction to initiate appropriate action contemplated with extant provisions of the Insolvency and Bankruptcy code, 2016 and other related rules as applicable. Further, pursuant to the order of NCLT, committee of creditors ("CoC") were formed and the First COC meeting was held on August 31, 2021 and appointed Mr. Bhuvan Madan as Resolution Professional ('RP') in place of Mr. Golla Ramakantha Rao. The same has been confirmed by the NCLT.
- 2) As Per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Regulation') the financial results of a company submitted to the stock exchange shall be signed by the Chairperson or Managing Director or Whole Time Director or in



assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

- 6) Our responsibility is to express a conclusion on the statement based on our review. However, because of the matters described in paragraph 7 below, we are not able to obtain sufficient appropriate audit evidence to provide the basis of our conclusion on this statement.
- 7) i. We draw attention to Note 5(a) of the accompanying statement, as at September 30, 2021 the company's obligation towards borrowings was Rs. 1,79,276.49 Lakhs which was classified as current liabilities and significantly exceeded its available cash and cash equivalents as on that date. The company's financial results and funds availability were adversely affected due to continuing shut down of the ferrous plant since 12th June 2017 and very limited operations in the coke oven plant and has incurred a Net Loss of Rs.15,247.60 Lakhs during the quarter and six months ended resulting into accumulated losses of Rs.1,21,213.25 Lakhs and erosion of its Net worth as at September 30, 2021. These conditions give rise to material uncertainty over the ability of the Company to continue as a going concern.

The financial results have been prepared on going concern basis based on the reason as disclosed in Note 5(a) to the statement. However, we are unable to obtain sufficient and appropriate audit evidence to conclude whether the use of the going concern assumption to prepare the financial statements is appropriate. In the absence of forecast plans, presently not ascertainable about company's ability to repay its borrowings, trade payables, statutory liabilities, other payables and arrangement of funds to resume its operations.

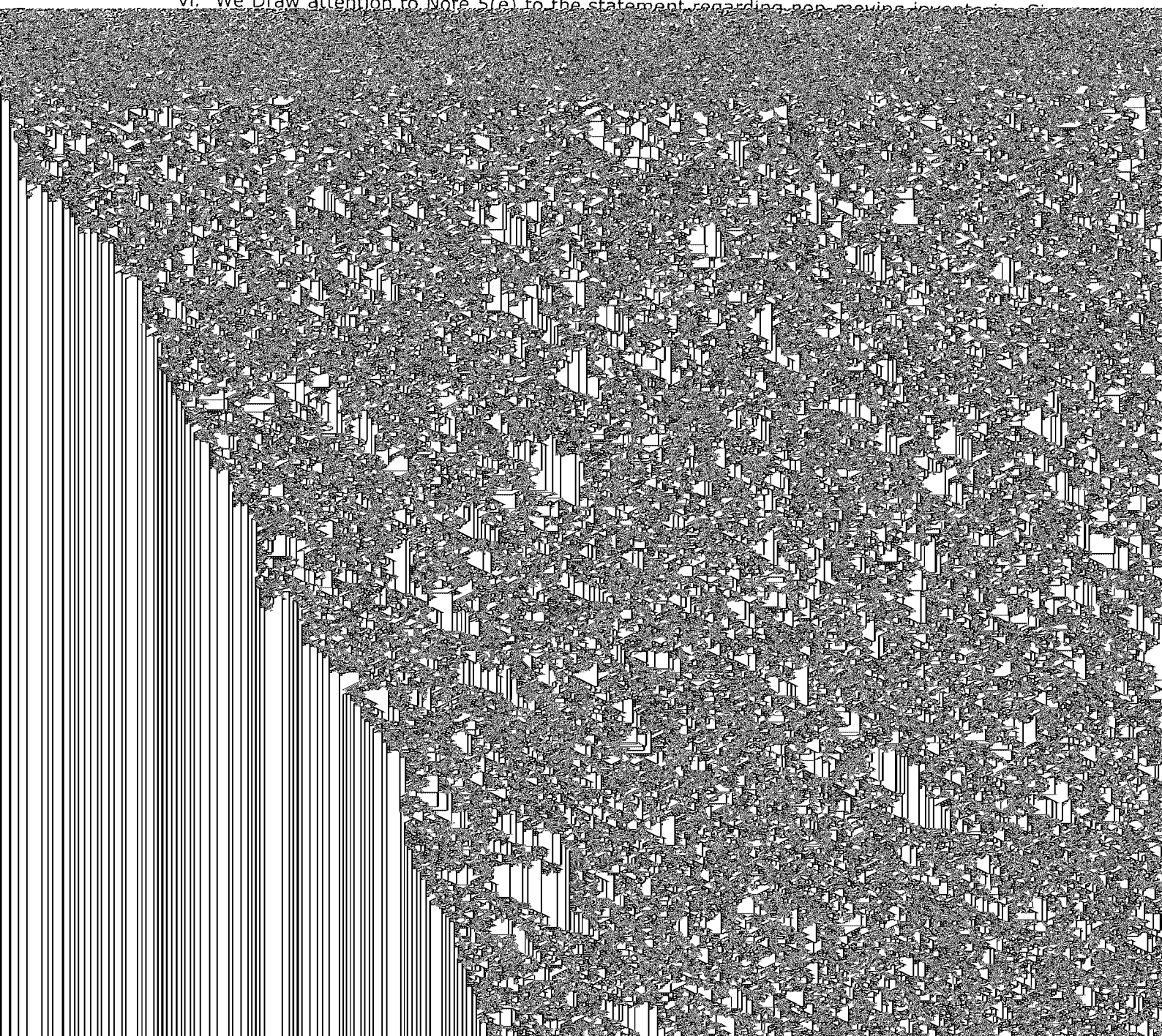
- ii. We draw your attention to Note no 5(b) to the statement, As per Indian Accounting Standard 36 on Impairment of Assets, the Company is required to determine impairment in respect of Property, Plant and equipment and capital work in progress as per the methodology prescribed under the said Standard on account of shut down of the ferrous plant and very limited operations in the coke oven plant since 12th June 2017. However, the Management of the Company has not done impairment testing for the reasons

assets Rs. 157.02 lakhs (March 31,2021 Rs. 157.02Lakhs), respectively due for a period of more than one year as good and recoverable as at September 30, 2021, for which no provision has been made in the books of account. For reasons said in the aforesaid note, and due to confirmations being not available and pending reconciliation adjustments we are unable to comment on the recoverability of these receivables and its consequential effect on these financial results.

- v. Note no: 5(d) to the statement of financial results, Statutory dues related to Income tax, Employee's provident fund, Employee state insurance act and professional tax, amounting to Rs. 1994.61 Lakhs (March 31,2021 Rs. 1105.80 Lakhs) have become overdue and remain unpaid, interest, penalty if any in respect of the same has remained unascertained and unaccounted for.

This matter was also qualified in our report on the financial statements for the year ended March 31, 2021.

- vi. We Draw attention to Note 5(e) to the statement regarding non-moving inventories of



- ix. The company has contributed to charitable trust amounting to RS.11.02 Lakhs without prior permission in general meeting pursuant to the requirement of Section 181 of the