

**INDEPENDENT AUDITOR'S REPORT  
TO THE BOARD OF DIRECTORS OF  
AMBA RIVER COKE LIMITED**

1. We have audited the accompanying Statement of Financial Results of **AMBA RIVER COKE LIMITED** ("the Company"), for the year ended March 31, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such Ind AS financial statements.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) is presented in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016; and
  - (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year ended March 31, 2019.



**Deloitte  
Haskins & Sells LLP**

4. The Statement includes the results for the half year ended March 31, 2019 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the first half year of the current financial year which were subject to limited review by us.

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



Samir R. Shah  
Partner  
(Membership No.101708)

MUMBAI, April 30, 2019

STATEMENT OF FINANCIAL RESULTS FOR THE HALF YEAR AND YEAR ENDED March 31, 2019

Sr. No.	Particulars	6 Months ended		Year ended	
		31.03.2019 Unaudited	31.03.2018 Unaudited	31.03.2019 Audited	31.03.2018 Audited
	Revenue from operations	2,631.06	2,595.65	5,133.74	5,106.96
	Other income	6.74	16.77	19.65	18.10
1	<b>Total income</b>	<b>2,637.80</b>	<b>2,612.42</b>	<b>5,153.39</b>	<b>5,125.06</b>
2	<b>Expenses</b>				
	a) Cost of materials consumed	2,028.78	2,132.97	3,964.72	4,001.83
	b) Purchases of traded goods	171.22	41.45	357.10	182.03
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	15.84	28.46	7.43	27.88
	d) Employee benefits expense	13.46	12.32	27.40	26.05
	e) Finance costs	89.96	99.74	178.61	184.76
	f) Depreciation expense	0.69	0.78	1.36	1.71
	g) Power and fuel	90.27	85.51	175.33	168.34
	h) Excise duty expense	-	-	-	146.07
	i) Other expenses	88.56	57.85	168.21	124.49
	<b>Total expenses</b>	<b>2,498.78</b>	<b>2,459.08</b>	<b>4,880.16</b>	<b>4,863.16</b>
3	<b>Profit before tax</b>	<b>139.02</b>	<b>153.34</b>	<b>273.23</b>	<b>261.90</b>
4	<b>Tax expense</b>				
	a) Current tax	31.14	34.00	61.46	58.37
	b) Deferred tax	17.64	21.15	35.36	34.75
5	<b>Net profit after tax</b>	<b>90.24</b>	<b>98.19</b>	<b>176.41</b>	<b>168.78</b>
6	<b>Other comprehensive income (OCI)</b>				
	i) Items that will not be reclassified to profit or loss	8.24	(0.24)	(1.34)	6.09
	ii) Income tax relating to items that will not be reclassified to profit or loss	(0.02)	(0.11)	(0.07)	(0.10)
	iii) items that will be reclassified to profit or loss	13.21	2.76	15.02	3.73
	iv) income tax relating to items that will be reclassified to profit or loss	(4.62)	(0.95)	(5.25)	(1.29)
	<b>Total other comprehensive income</b>	<b>16.81</b>	<b>1.46</b>	<b>8.36</b>	<b>8.43</b>
7	<b>Total comprehensive income (Comprising profit and other comprehensive income )</b>	<b>107.05</b>	<b>99.65</b>	<b>184.77</b>	<b>177.21</b>
8	Paid up equity share capital (face value of Rs. 10 per share)			931.90	931.90
9	Other equity excluding revaluation reserves			764.51	579.74
10	Debenture redemption reserve			-	-
11	Paid up debt capital			945.80	1,241.19
12	Net worth			1,696.41	1,511.64
13	Earnings per share (not annualised)				
	- Basic (Rs.)	0.97	1.05	1.89	1.81
	- Diluted (Rs.)	0.97	1.05	1.89	1.81
14	Debt-Equity ratio (refer (i) below)	0.56	0.82	0.56	0.82
15	Debt service coverage ratio (refer (ii) below)	1.26	1.28	1.10	1.16
16	Interest service coverage ratio (refer (iii) below)	2.67	2.86	2.72	2.58

(i) Debt-Equity Ratio = Total Borrowings / Net Worth

(ii) Debt Service Coverage Ratio = Profit before tax, depreciation and net finance charges / (Net Finance Charge + Long term borrowings scheduled principal repayments during the period)  
(Net finance charges: Finance Cost - Interest Income)

(iii) Interest Service Coverage Ratio = Profit before tax, depreciation and net finance charges / Net Finance Charges

*Sanjiv Kulkarni*



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Notes :

1. STATEMENT OF ASSETS AND LIABILITIES

(Rs. in crores)

Particulars		As at	As at
		31.03.2019	31.03.2018
		Audited	Audited
<b>A</b>	<b>ASSETS</b>		
1	<b>Non-current assets</b>		
	(a) Property, plant and equipment	28.19	29.26
	(b) Capital work-in-progress	17.04	9.73
	(c) Financial assets		
	(i) Investments	52.38	41.92
	(ii) Finance lease receivable	2,019.80	2,116.00
	(iii) Loan	-	64.02
	(iv) Other financial assets	99.42	94.62
	(d) Deferred tax assets (net)	-	7.02
	(e) Other non-current assets	110.06	11.24
	<b>Total non-current assets</b>	<b>2,326.89</b>	<b>2,373.81</b>
2	<b>Current assets</b>		
	(a) Inventories	445.64	652.49
	(b) Financial assets		
	(i) Trade receivables	50.99	35.90
	(ii) Cash and cash equivalents	0.21	4.49
	(iii) Bank balances other than (ii) above	7.45	7.02
	(iv) Finance lease receivable	100.18	88.03
	(v) Loan	421.57	70.62
	(vi) Other financial assets	171.91	414.07
	(c) Other current assets	160.37	162.48
	<b>Total current assets</b>	<b>1,358.32</b>	<b>1,435.10</b>
	<b>TOTAL - ASSETS</b>	<b>3,685.21</b>	<b>3,808.91</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
1	<b>Equity</b>		
	(a) Equity share capital	931.90	931.90
	(b) Other equity	764.51	579.74
	<b>Total equity</b>	<b>1,696.41</b>	<b>1,511.64</b>
2	<b>Non-current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	756.88	943.15
	(b) Deferred tax liabilities (net)	33.66	-
	(c) Provisions	3.18	2.93
	(d) Other non-current liabilities	334.73	34.73
	<b>Total non-current liabilities</b>	<b>1,128.45</b>	<b>980.81</b>
3	<b>Current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	1.61	1.59
	(ii) Trade payables		
	(A) Total outstanding dues of micro enterprises and small enterprises	-	0.03
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises #	576.43	945.10
	(iii) Other financial liabilities	252.21	334.47
	(b) Other current liabilities	28.97	26.87
	(c) Provisions	0.16	0.22
	(d) Current tax liabilities (net)	0.97	8.18
	<b>Total-current liabilities</b>	<b>860.35</b>	<b>1,316.46</b>
	<b>Total liabilities</b>	<b>1,988.80</b>	<b>2,297.27</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>3,685.21</b>	<b>3,808.91</b>

# includes acceptances



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- 2 In terms of the 'Package Scheme of Incentives 2007' of the Government of Maharashtra, the Company is eligible for subsidy in the form of refund of state taxes (VAT) on sales made from its plants located at Dolvi, Maharashtra. The Government, vide its resolution dated December 20, 2018 on modalities for sanction and disbursement of the refund of such taxes under the new GST regime, excluded sales made to certain related parties from the ambit of the Scheme. Subsequently, vide government resolution dated March 8, 2019, it was clarified that sales to certain category of related parties are eligible to avail the subsidy in form of refund of State GST if finished product(s) of one unit is raw material / input to production process for the purchaser unit, and the purchaser unit carries out further value addition / processing, which amounts to 'manufacture' as defined in para 2(72) of the CGST Act, 2017. The transactions between the Company and its related parties fall under the aforesaid category. Accordingly, the Company has continued to recognize the subsidy aggregating to Rs. 1.80 crores and Rs. 44.73 crores for six months ended March 31, 2019 and for the year then ended, respectively (Rs. 50.50 crores and Rs. 67.80 crore recognized during half year ended March 31, 2018 and the year then ended, respectively).
- 3 Revenue from operations for the year ended March 31, 2018 includes excise duty, which is discontinued effectively July 01, 2017 upon implementation of Goods and Service Tax (GST) in India. In accordance with 'Ind AS 115, Revenue from Contracts with Customers', GST is not included in revenue from operation. In view of the aforesaid restructuring of indirect taxes, revenue from operation for the year ended March 31, 2019 are not comparable to the corresponding previous period.
- 4 The domestic credit rating for long term debt/facilities/NCD's by CARE has been upgraded to "AA" from "AA-", while the short term debt/facilities continue to be rated at the highest level of "A1+". CARE has assigned a stable outlook on the long term rating.
- 5 The listed non-convertible debentures of the Company aggregating Rs. 300 crores as on March 31, 2019 are secured by way of charge on all movable and immovable property, plant and equipment both present and future of pellet project situated at Village Jui Bapuji, Taluka Alibaug, District Raigad, Maharashtra with minimum fixed assets cover of 1.25 times.
- 6 Details of Secured Non-Convertible Debentures are as follow. (Rs. in crores)

Non-Convertible Debentures	Nos.	Value	Previous payment due date		Next payment due date			
			Principal	Interest	Principal		Interest	
					Amount	Date	Amount	Date
Series I (8.65% NCD)	1200	120.00	-	10.02.2019	120.00	12.05.2020	10.38	10.02.2020
Series II (8.75% NCD)	1800	180.00	-	10.02.2019	180.00	10.02.2022	15.75	10.02.2020

- 7 Effective April 01, 2018 the Company has adopted Ind AS 115 'Revenue from contracts with customers'. Based on the assessment done by the management, there is no material impact on the revenue recognised during the year.
- 8 The Company has only one business segment i.e. manufacturing of raw materials for steel products.
- 9 The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on April 30, 2019. The statutory auditors of the Company has conducted audit of the above audited financial results for the year ended March 31, 2019.

Date: April 30, 2019  
 Place: Mumbai



For Amba River Coke Limited



Prem Pushkar Varma  
 Whole-time Director


