

**INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF  
ACB (INDIA) LIMITED**

We have reviewed the accompanying Statement of unaudited standalone financial results ("the Statement") of **ACB (India) Limited** ("the Company") for the six months period ended 30 September 2017 attached herewith. The Statement has been prepared by the Company pursuant to Regulation 52 of Securities and Exchange Board of India as amended till date ("Listing Obligation and Disclosure Requirements) Regulation 2015 ("the SEBI Regulation").

**Management's Responsibility**

This Statement is the responsibility of the Company's management and has been approved by the Board of Directors in their meeting held on 14 November 2017. This Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the accompanying Statement based on our review.

**Auditors' Responsibility**

We conducted our review of the Statement in accordance with the Standards on Review Engagement (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', 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 Statement is free of material misstatement. A review is limited primarily to the enquiries 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.

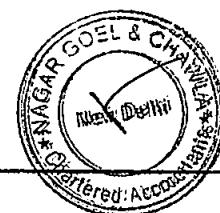
**Opinion**

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI Regulation as amended till date including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Emphasis of matters**

1. With regard to dispute with one of the customers for quality of the beneficiated coal supplied by the Company, the customer has invoked bank guarantees of Rs. 2,009.34 lakhs out of total bank guarantees of Rs. 3,798.34 lakhs and raised further claim amounting to Rs. 752.67 lakhs for recovery of cost of coal supplied by customer for beneficiation and penalties. The matter for invocation of bank guaranty was pending at Hon'ble Supreme Court of India. Meantime on an application filed for the appointment of Arbitrator in regard to above disputes, the Hon'ble Bombay High Court, Nagpur Bench appointed Sole Arbitrator to adjudicate the dispute.

Subsequent to the year ended 31 March 2016, in the matter for invocation of bank guarantees, the Hon'ble Supreme Court of India vide order dated 15 September 2016 directed the banks to release 40 percent of the bank guarantees to the customer within a week, which the banks have released, and



rest of the amount to be covered by the fresh bank guarantees to be kept alive till final award is passed by the learned Arbitrator.

The Hon'ble Supreme Court of India directed the learned Arbitrator to finally dispose off the matter by February 2017 and also not to be influenced by this interim arrangement as it has been done on the basis of concession and to adjudicate the claim pertaining to bank guarantees on its own merits. The learned Arbitrator in the minutes of the meeting dated 16 February 2017 directed the parties to seek extension of time for the disposal of matter to which Hon'ble Supreme Court vide order dated 17 April 2017 has extended the time till end of November 2017 so that the learned Arbitrator can pass the award as per law.

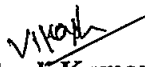
However, management believes that final outcome of the litigation will not have significant financial impact and accordingly, no provision is required against the claims of the customer. Our report is not modified in respect of this matter.

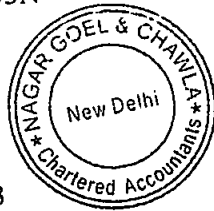
2. The Company has overdue trade receivables balance and security deposit receivable, amounting to Rs. 1,671.38 lakhs and Rs. 25.00 lakhs respectively, from Karnataka Power Corporation Limited, one of the customer of the Company, relating to sale of beneficiated coal. The matter is in dispute and at present with Hon'ble Court of the City Civil Judge Bangalore, Karnataka. The Company, based on the agreed terms of contract and present negotiation, is confident of recovering the entire outstanding amount and hence considers that no provision for doubtful debt and advances is required at this stage. Our report is not modified in respect of this matter.

**Other matter**

The Statement for the period ended 30 September 2016 were reviewed and the Financial Results for the year ended 31 March 2017 were audited by another statutory auditor who expressed an unmodified opinion on those statements/results.

For Nagar Goel & Chawla,  
Chartered Accountants  
Firm Registration No.:- 009933N

  
**Vikash Kumar Hisariya**  
(Partner)  
Membership Number: 511593



Place: New Delhi  
Date: 14 November 2017

**ACB (INDIA) LIMITED**

Regd. Office: C-102, L.G.F., New Multan Nagar, Surya Enclave, New Delhi – 110 056

Tel: +91 11 2529 1566; Fax: +91 11 2529 1567, Website: www.acbindia.com;

Email: compliance@acbindia.com, CIN : U10102DL1997PLC085837

**Statement of unaudited standalone financial results for the six months period ended on 30 September 2017***(All amounts are in Rupees Lakhs, unless otherwise stated)*

Particulars	For the six months period ended	For the six months period ended	For the year ended
	30 September 2017 Unaudited	30 September 2016 Unaudited	31 March 2017 Audited
1 (a) Net income from operations	51,923.30	55,305.32	115,335.73
(b) Other operating income	-	-	-
<b>Total income</b>	<b>51,923.30</b>	<b>55,305.32</b>	<b>115,335.73</b>
2 <b>Expenses:</b>			
(a) Decrease/ (increase) in inventories of coal and work in progress	500.61	1,368.17	8,292.08
(b) Purchase of coal	1,136.21	531.83	1,256.17
(c) Transportation and loading charges	7,623.12	8,464.12	17,394.27
(d) Power, fuel and water expenses	8,872.94	4,048.71	8,813.53
(e) Consumption of chemicals	198.79	170.94	341.74
(f) Purchase of equipment and other engineering services charges	930.88	2,183.87	3,977.75
(g) Employee benefits expense	4,645.93	4,845.65	9,122.51
(h) Depreciation and amortisation expense	5,526.58	5,534.94	10,964.44
(i) Other expenses	13,240.34	14,727.52	27,908.73
<b>Total expenses</b>	<b>42,675.40</b>	<b>41,875.75</b>	<b>88,071.22</b>
3 <b>Profit from operations before other income, interest cost and exceptional items (1-2)</b>	<b>9,247.90</b>	<b>13,429.57</b>	<b>27,264.51</b>
4 Other income	4,086.60	2,362.68	4,471.53
5 <b>Profit before interest cost and exceptional items (3+4)</b>	<b>13,334.50</b>	<b>15,792.25</b>	<b>31,736.04</b>
6 Interest cost	10,350.25	10,379.07	22,167.99
7 Exceptional items	-	-	-
8 <b>Profit from ordinary activities before tax [5-(6+7)]</b>	<b>2,984.25</b>	<b>5,413.18</b>	<b>9,568.05</b>
9 Tax expense	(123.02)	521.84	372.86
10 <b>Net profit from ordinary activities after tax (8-9)</b>	<b>3,107.27</b>	<b>4,891.34</b>	<b>9,195.19</b>
11 Extra ordinary items	-	-	-
12 <b>Net profit for the period (10-11)</b>	<b>3,107.27</b>	<b>4,891.34</b>	<b>9,195.19</b>
<b>Other comprehensive income:</b>			
13 Items that will never be reclassified to the Statement of Profit and Loss (net of tax)	(0.61)	0.86	(41.66)
14 <b>Total comprehensive income for the period (12+13)</b>	<b>3,106.66</b>	<b>4,892.20</b>	<b>9,153.53</b>
15 Paid up equity share capital (Face value per share of Rs. 10 each)	23,800.57	23,800.57	23,800.57
16 Paid up debt capital (non-convertible debentures)	22,750.00	29,500.00	25,500.00
17 Debenture redemption reserve	4,536.29	3,281.67	4,536.29
18 Reserves (excluding revaluation reserves and debenture redemption reserve)	200,390.39	194,577.91	197,879.41
19 Net worth (Paid up equity share capital plus Reserves and surplus, excluding debenture redemption reserve)	224,190.96	218,378.48	221,679.98
20 Earning per share (in Rs.)	1.31 *	2.06 *	3.85
21 Debt equity ratio (DER) **	0.86	0.83	0.84
22 Debt service coverage ratio (DSCR) #	1.01	0.77	1.00
23 Interest service coverage ratio (ISCR) ##	1.82	2.05	1.93

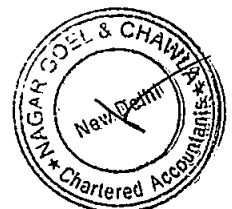
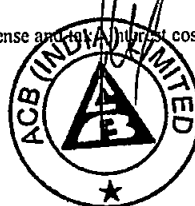
\* Not annualised.

\*\* DER = Debt [long term debt (including current maturities) + short term debt] / Equity [paid up equity share capital and reserves and surplus].

# DSCR = Profit before interest cost and exceptional items, depreciation and amortisation expense and after tax / [(Interest cost (including capitalised portion) + Scheduled principal repayments of long-term borrowings (excluding prepayments) during the period].

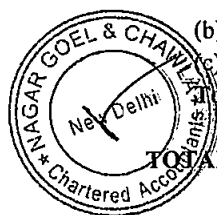
## ISCR = Profit before interest cost and exceptional items, depreciation and amortisation expense and after tax / Interest cost (including capitalised portion)

See accompanying notes to the financial results



**ACB (India) Limited**  
**Statement of Assets and Liabilities as at 30 September 2017**  
*(All amounts are in Rupees lakhs, unless otherwise stated)*

	<u>As at 30 September 2017</u>	<u>As at 31 March 2017</u>
<b>ASSETS</b>		
<b>(1) Non-current assets</b>		
(a) Property, plant and equipment	136,153.20	140,512.57
(b) Capital work-in-progress	6,989.94	6,524.04
(c) Intangible assets	345.95	427.69
(d) Financial assets		
(i) Investment in subsidiaries, joint venture and associates	194,807.64	194,769.32
(ii) Other investments	165.87	166.48
(iii) Loans	1,486.94	2,062.08
(iv) Other financial assets	282.04	591.49
(e) Other non-current assets	1,948.32	2,865.88
<b>Total non-current assets</b>	<b>342,179.90</b>	<b>347,919.55</b>
<b>(2) Current assets</b>		
(a) Inventories	11,635.34	15,937.97
(b) Financial assets		
(i) Other Investments	-	-
(ii) Trade receivables	29,597.82	25,150.98
(iii) Cash and cash equivalents	1,504.36	1,515.99
(iv) Other bank balances	8,700.66	7,544.82
(v) Loans	44,856.43	28,289.31
(vi) Other financial assets	10,458.56	8,976.97
(c) Other current assets	1,755.30	2,591.79
<b>Total current assets</b>	<b>108,508.47</b>	<b>90,007.83</b>
<b>TOTAL ASSETS</b>	<b>450,688.37</b>	<b>437,927.38</b>
<b>EQUITY AND LIABILITIES</b>		
<b>(1) EQUITY</b>		
(a) Equity share capital	23,800.57	23,800.57
(b) Other equity	204,926.68	202,415.70
<b>Total equity</b>	<b>228,727.25</b>	<b>226,216.27</b>
<b>(2) LIABILITIES</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	144,996.72	148,632.39
(ii) Other financial liabilities	3,059.59	3,084.83
(b) Provisions	1,662.05	1,518.55
(c) Deferred tax liabilities (Net)	9,932.50	11,170.32
Less: Minimum alternate tax credit entitlement	(6,515.97)	(7,048.62)
	3,416.53	4,121.70
<b>Total non-current liabilities</b>	<b>153,134.89</b>	<b>157,357.47</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	30,136.79	23,444.19
(ii) Trade payables	10,027.78	8,246.81
(iii) Other financial liabilities	27,092.06	21,160.04
(b) Other current liabilities	1,458.80	1,391.80
(c) Provisions	110.80	110.80
<b>Total current liabilities</b>	<b>68,826.23</b>	<b>54,353.64</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>450,688.37</b>	<b>437,927.38</b>



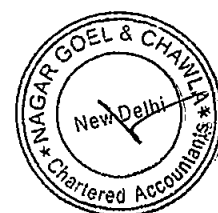
## Notes:

1. These 'Statement of unaudited standalone financial results' ('the Statement') has been prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable and discloses information required to be disclosed in term of Regulation 52 of SEBI (Listing Obligations and Disclosure requirements) Regulations 2015 (as amended).
2. The above Statement has been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 14 November 2017. The statutory auditors of the Company have carried out a limited review of the Statement and their review report is being filed with the Bombay Stock Exchange ("BSE") and is also available on the Company's website at [www.acbindia.com](http://www.acbindia.com).
3. The rating for non-convertible debentures of Rs. 22,750 lacs outstanding as on 30 September 2017 from Crisil Limited is A+/Negative.
4. Following is the information regarding interest and principal payment of non-convertible debentures:

Series of NCDs	Outstanding amount as at 30 September 2017 (Rs. lacs)	Previous due date for payment of Interest	Actual date of payment of Interest	Next due date for payment of Interest	Next due date for repayment of Principal	Scheduled Principal repayment amount (Rs. lacs)
Series 1	2,750.00	31-07-2017	31-07-2017	31-01-2018	31-07-2018	2,750.00
Series 2	5,000.00	31-10-2016	31-10-2016	31-10-2017	31-10-2017	2,500.00
Series 3	1,000.00	11-12-2016	11-12-2016	11-12-2017	11-12-2017	500.00
Series 4	3,500.00	20-01-2017	20-01-2017	20-01-2018	20-01-2018	1,750.00
Series 5	1,000.00	28-03-2017	28-03-2017	28-03-2018	28-03-2018	500.00
Series 6	2,500.00	05-06-2017	05-06-2017	05-06-2018	05-06-2018	1,250.00
Series 7	1,000.00	25-06-2017	25-06-2017	25-06-2018	25-06-2018	500.00
Series 8	6,000.00	18-03-2017	18-03-2017	18-03-2018	18-03-2020	6,000.00
<b>Total</b>	<b>22,750.00</b>					<b>15,750.00</b>

5. The non-convertible debentures are secured by an adequate asset cover as per the terms of Disclosure Document filed with BSE Limited.
6. In the previous years, one of the customers, pursuant to a contract entered for beneficiation of coal, has invoked bank guarantees of Rs. 2,009.34 lacs (previous period Rs. 2,009.34 lacs) out of total bank guarantees of Rs. 3,798.34 lacs and raised further claim amounting to Rs. 752.67 lacs (previous period Rs. 752.67 lacs) for recovery of cost of coal supplied by customer for beneficiation and penalties. On an application filed for the appointment of Arbitrator in regard to above disputes, the Hon'ble Bombay High Court, Nagpur Bench appointed Sole Arbitrator and the Company has filed its claim to the Arbitrator. The decision of the Sole Arbitrator is pending.

Subsequent to the year ended 31 March 2016, in the matter for invocation of bank guarantees, the Hon'ble Supreme Court of India vide order dated 15 September 2016 directed the banks to release 40 percent of the bank guarantees to the customer within a week, which the banks have released, and rest of the amount to be covered by the fresh bank guarantees to be kept alive till final award is passed by the learned Arbitrator. The Hon'ble Supreme Court of India directed the learned Arbitrator to finally dispose off the matter by February 2017 and also not to be influenced by this interim arrangement as it has been done on the basis of concession and to adjudicate the claim pertaining to bank guarantees on its own merits. The learned Arbitrator in the minutes of the meeting dated 16 February 2017 directed the parties to seek



extension of time for the disposal of matter to which Hon'ble Supreme Court vide order dated 17 April 2017 has extended the time till end of November 2017 so that the learned Arbitrator can pass the award as per law.

However, management believes that final outcome of the litigation will not have significant financial impact and accordingly, no provision is required against the claims of the customer.

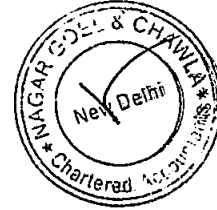
7. The Company has overdue trade receivables balance and security deposit receivable, amounting to Rs. 1,671.38 lacs (previous period Rs. 1,671.38 lacs) and Rs. 25.00 lacs (previous period Rs. 25.00 lacs) respectively, from one of its customer relating to sale of beneficiated coal. During the year ended 31 March 2013, the Company had filed civil suit in the appropriate court for the recovery of its amount. The customer in its written statement contested the claim of the Company and denied to any amount payable to the Company. The matter is now pending with Hon'ble Court of the City Civil Judge Bangalore, Karnataka. However, based on the merits of the case, management is confident of recovery of the entire outstanding balance.
8. During the previous period, the Company has changed the trigger plan date for 30 MW-Extn. Thermal Power Plant business eligible for tax holiday period under Section 80-IA of the Income Tax Act, 1961. Accordingly, deferred tax assets to the extent of Rs. Nil (previous period Rs. 57.98 lacs) has been considered for adjustment with deferred tax charge for the six months period ended 30 September 2017.

**For and on behalf of Board of Directors**



**Rudra Sen Sindhu**  
Chairman cum Managing Director

Place : Gurugram  
Date : 14 November 2017



**ACB (INDIA) LIMITED**

Regd. Office: C-102, L.G.F., New Multan Nagar, Surya Enclave, New Delhi – 110 056

Tel: +91 11 2529 1566; Fax: +91 11 2529 1567, Website: www.acbindia.com;

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**Statement of unaudited standalone financial results for the six months period ended on 30 September 2017***(All amounts are in Rupees Lakhs, unless otherwise stated)*

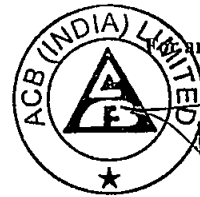
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9 Reserves (excluding revaluation reserves and debenture redemption reserve)	200,390.39	194,577.91	197,879.41
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12 Debt equity ratio (DER)	0.86	0.83	0.84
13 Debt service coverage ratio (DSCR)	1.01	0.77	1.00
14 Interest service coverage ratio (ISCR)	1.82	2.05	1.93

\* Not annualised.

- a) The above is an extract of the detailed format of half yearly financial results filed with the Stock Exchange under Regulation 52 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the half yearly financial results are available on the Stock Exchange website www.bseindia.com and on the Company's website www.acbindia.com
- b) The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 14 November 2017.

Place : Gurugram

Date : 14 November 2017



and on behalf of Board of Directors

Rudra Sen Sindhu  
Chairman cum Managing Director