

**ACB (INDIA) LIMITED**

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**Statement of unaudited half yearly financial results***(All amounts are in Rupees Lacs, unless otherwise stated)*

Rs. In Lacs

Particulars	For the 6 months period ended 30 September 2015 Unaudited	For the 6 months period ended 30 September 2014 Unaudited	For the year ended 31 March 2015 Audited
1 (a) Net income from operations	59,425.43	79,051.95	142,031.81
(b) Other operating income	-	-	-
<b>Total</b>	<b>59,425.43</b>	<b>79,051.95</b>	<b>142,031.81</b>
2 Expenditure			
(a) (Increase)/ decrease in inventories of coal and work in progress	(2,656.58)	(15.72)	(6,369.18)
(b) Purchase of coal	6,823.18	7,401.83	14,981.26
(c) Transportation and loading charges	9,922.83	14,168.70	30,337.45
(d) Power, fuel and water expenses	4,085.77	3,603.48	6,702.41
(e) Consumption of chemicals	185.10	163.62	333.78
(f) Purchase of equipment and other engineering services charges	879.69	114.27	358.55
(g) Employee cost	4,775.76	4,427.88	9,011.52
(h) Depreciation / amortisation expense	5,254.90	5,926.82	11,209.21
(i) Other expenditure	12,182.14	12,957.85	28,126.78
<b>Total</b>	<b>41,452.79</b>	<b>48,748.73</b>	<b>94,691.78</b>
3 <b>Profit from operations before other income, interest and exceptional items (1-2)</b>	<b>17,972.64</b>	<b>30,303.22</b>	<b>47,340.03</b>
4 Other income	1,910.02	1,687.29	1,968.16
5 <b>Profit before interest cost and exceptional items (3+4)</b>	<b>19,882.66</b>	<b>31,990.51</b>	<b>49,308.19</b>
6 Interest cost	10,162.19	12,030.29	22,906.39
7 Exceptional items	-	-	-
8 <b>Profit from ordinary activities before tax [5-(6+7)]</b>	<b>9,720.47</b>	<b>19,960.22</b>	<b>26,401.80</b>
9 Tax expense	2,122.65	4,039.99	5,217.97
10 <b>Net profit from ordinary activities after tax (8-9)</b>	<b>7,597.82</b>	<b>15,920.23</b>	<b>21,183.83</b>
11 Extra ordinary items	-	-	-
12 <b>Net profit for the period (10-11)</b>	<b>7,597.82</b>	<b>15,920.23</b>	<b>21,183.83</b>
13 Paid up equity share capital (Face value per share of Rs. 10 each)	23,800.57	23,800.57	23,800.57
14 Paid up debt capital <sup>^</sup>	29,500.00	19,500.00	25,500.00
15 Reserves excluding revaluation reserves as per balance sheet of previous accounting year	181,292.11	149,656.88	149,656.88
16 Debenture redemption reserve	1,571.04	379.29	1,571.04
17 Earning per share (in Rs.)	3.19*	6.69*	8.90
18 Debt equity ratio (DER) **	0.81	0.89	0.86
19 Debt service coverage ratio (DSCR) #	1.01	1.39	1.18
20 Interest service coverage ratio (ISCR) ##	2.47	3.15	2.64

<sup>^</sup> Represents non-convertible debentures.

\* 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 / 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 / amortisation expense and tax / Interest cost (including capitalised portion)

**Notes:**

1. The above Statement of unaudited half yearly financial results have been reviewed by the Audit Committee on 5 November 2015 and approved by the Board of Directors in their meeting held on 7 November 2015. The statutory auditors of the Company have carried out a limited review of the Statement of unaudited half yearly financial results for the six months period ended 30 September 2015 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.



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2. During the year ended 31 March 2010 and 31 March 2014, the Company had entered into certain transactions amounting to Rs. 103.06 lacs in respect of which prior approval of Central Government has not been obtained and Rs. 119.54 lacs which are in excess of approval obtained from the Central Government, respectively, as envisaged under section 297 of the Companies Act, 1956. The Company had filed an application to Ministry of Corporate Affairs ('MCA'), for compounding of the above matter. However, reply from MCA is awaited. The management believes that the above will not have significant impact on the financial statements.

3. 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 year Rs. 2,009.34 lacs) and raised further claim amounting to Rs. 752.67 lacs (previous year Rs. 752.67 lacs) for recovery of cost of coal supplied by customer for beneficiation and penalties. The matter for invocation of bank guarantees is 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 a Sole Arbitrator. The Company and the customer have filed its claim and counter claim (including claim towards power generation loss) respectively with the Arbitrator. While, the decision of the Sole Arbitrator is pending, on the basis of contractual terms and its evaluation of the matters raised in consultation with the Company's Counsel, the management believes that final outcome of the litigation will not have significant financial impact and accordingly, no provision is required.

4. The Company has overdue trade receivables balance and security deposit receivable, amounting to Rs. 1,671.38 lacs (previous year Rs. 1,671.38 lacs) and Rs. 25.00 lacs (previous year 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.

5. During the six months period ended 30 September 2015, the Company has changed the trigger plan date for 270 MW Thermal Power Plant business and 30 MW Unit 2 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. 633.06 lacs (previous year Rs. 1,519.22 lacs) have been considered for adjustment with deferred tax charge for the period ended 30 September 2015.

6. Previous period(s) figures have been regrouped / reclassified, wherever necessary to confirm to current period classifications.

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



**Rudra Sen Sindhu**

Chairman cum Managing Director

Place : New Delhi  
Date : 7 November 2015

# B S R & Company

Chartered Accountants

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## Review Report

The Board of Directors of  
**ACB (India) Limited**

1. We have reviewed the accompanying Statement of unaudited half yearly financial results ('the Statement') of ACB (India) Limited ('the Company') for the six months period ended 30 September 2015. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors of the Company in their meeting held on 7 November 2015. Our responsibility is to issue a report on the accompanying Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (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 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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Attention is invited to note 2 of the statement, with regard to certain transactions entered into by the Company with certain parties covered under section 297 of the Companies Act, 1956, amounting to Rs. 119.54 lacs during the year ended 31 March 2014, which are in excess of approval obtained from the Central Government and Rs. 103.05 lacs during the year ended 31 March 2010, in respect of which prior approval of the Central Government had not been obtained, as envisaged under that section, by the Company. During the current period, the Company has filed an application to Ministry of Corporate Affairs ('MCA') for compounding of the above matter and the reply from MCA is still awaited. The management believes that the impact of above will not have significant financial impact. Our report is not modified in respect of this matter.
4. Attention is invited to note 3 of the statement, 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 lacs and raised further claim amounting to Rs. 752.67 lacs for recovery of cost of coal supplied by customer for beneficiation and penalties. The matter for invocation of bank guarantees is 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. During the year ended 31 March 2015, the Company and the customer filed their claim and counter claim (including claim towards power generation loss, which is considered as baseless by the Company), respectively, with the Arbitrator. The decision of the Sole Arbitrator is pending. However, the 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.



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5. Attention is invited to note 4 of the statement, which explains that the Company has overdue receivable amounting to Rs. 1,696.38 lacs from Karnataka Power Corporation Limited, one of the customers of the Company, relating to the 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 negotiations, 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.
6. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited half yearly financial results of the Company, prepared in all material respects, in accordance with the accounting standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 29 of the Listing Agreement for debt securities including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Gurgaon

Date: 7 November 2015

*For B S R & Company*

*Chartered Accountants*

Firm registration number: 128032W

**Pravin Tulsyan**

*Partner*

Membership No: 108044