

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL FINANCIAL RESULTS

**TO THE BOARD OF DIRECTORS OF
AMBA RIVER COKE LIMITED**

Opinion

We have audited the Financial Results for the year ended March 31, 2021 included in the accompanying "Statement of Financial Results for the six months and Year Ended March 31, 2021" of **AMBA RIVER COKE LIMITED** ("the Company"), ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Financial Results for the year ended March 31, 2021:

- i. is presented in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the 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 then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in Auditor's Responsibilities for audit of the Annual Financial Results section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Results for the year ended March 31, 2021 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement, which includes the Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Statement has been compiled from the related audited financial statements for the year ended March 31, 2021. This responsibility includes the preparation and presentation of the Financial Results for the year ended March 31, 2021 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS")



prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for audit of Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the Financial Results for the year ended March 31, 2021 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 52 of the Listing Regulations.



Deloitte Haskins & Sells LLP

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Financial Results, including the disclosures, and whether the Annual Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Financial Results of the Company to express an opinion on the Annual Financial Results.

Materiality is the magnitude of misstatements in the Annual Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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



Mehul Parekh
Partner
(Membership No. 121513)
(UDIN: 21121513AAAACS2778)

Place: Mumbai
Date: May 15, 2021

STATEMENT OF FINANCIAL RESULTS FOR THE SIX MONTHS AND YEAR ENDED MARCH 31, 2021

(Rs. in crores)

Sr. No.	Particulars	6 Months ended		Year ended	
		31.03.2021 (Refer note 8)	31.03.2020 (Refer note 8)	31.03.2021 Audited	31.03.2020 Audited
	Revenue from operations (Refer note 10)	2,038.22	1,834.27	3,902.08	3,902.74
	Other income	14.63	16.69	30.72	41.15
1	Total Income	2,052.85	1,850.96	3,932.80	3,943.89
	Expenses				
	a) Cost of materials consumed	1,555.75	1,385.36	2,962.60	3,062.14
	b) Purchases of traded goods	65.86	67.16	110.26	119.54
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	7.13	(15.05)	23.25	(21.42)
	d) Employee benefits expense	14.04	14.88	28.30	29.69
	e) Finance costs	53.59	83.55	116.11	164.25
	f) Depreciation expense	61.39	60.06	121.81	60.76
	g) Power and fuel	84.32	85.40	160.56	170.28
	h) Other expenses	72.87	84.40	150.09	154.60
2	Total expenses	1,914.95	1,765.76	3,672.98	3,739.84
3	Profit before tax (1 - 2)	137.90	85.20	259.82	204.05
4	Tax expense				
	a) Current tax	25.24	16.42	47.49	38.24
	b) Short provision in respect of earlier years	0.20	-	0.29	-
	c) Deferred tax	23.46	(49.24)	44.39	(28.62)
5	Net profit after tax for the period / year (3 - 4)	89.00	118.02	167.65	194.43
6	Other comprehensive income / (loss)				
	i) Items that will not be reclassified to profit or loss	22.82	(16.50)	32.65	(21.84)
	ii) Income tax relating to items that will not be reclassified to profit or loss	(0.14)	0.13	(0.12)	0.10
	iii) Items that will be reclassified to profit or loss	-	(4.84)	-	(14.13)
	iv) Income tax relating to items that will be reclassified to profit or loss	-	1.69	-	4.94
	Total other comprehensive income / (loss) (net of tax)	22.68	(19.52)	32.53	(30.93)
7	Total comprehensive income for the period / year (5 + 6)	111.68	98.50	200.18	163.50
8	Paid up equity share capital (face value of Rs. 10 per share)			931.90	931.90
9	Other equity excluding revaluation reserves			1,128.19	928.01
10	Debenture redemption reserve			-	-
11	Paid up debt capital			352.95	803.99
12	Net worth			2,060.09	1,859.91
13	Earnings per share (not annualised)				
	- Basic (Rs.)	0.96	1.27	1.80	2.09
	- Diluted (Rs.)	0.96	1.27	1.80	2.09
14	Debt-Equity ratio (refer (i) below)	0.17	0.43	0.17	0.43
15	Debt service coverage ratio (refer (ii) below)	1.79	1.86	1.35	1.47
16	Interest service coverage ratio (refer (iii) below)	6.12	3.17	5.43	3.14

(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 after considering moratorium period)

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



Am Rakesh

STATEMENT OF ASSETS AND LIABILITIES

(Rs. in crores)

Particulars		As at	As at
		31.03.2021	31.03.2020
		Audited	Audited
A	ASSETS		
1	Non-current assets		
	(a) Property, plant and equipment	1,955.00	2,064.81
	(b) Capital work-in-progress	42.81	10.57
	(c) Financial assets		
	(i) Investments	63.35	30.79
	(ii) Loan	223.09	-
	(iii) Other financial assets (Refer Note 10)	138.43	121.07
	(d) Current tax assets (net)	7.84	18.59
	(e) Other non-current assets	267.37	187.57
	Total non-current assets	2,697.89	2,433.40
2	Current assets		
	(a) Inventories	769.92	573.11
	(b) Financial assets		
	(i) Trade receivables	18.88	12.04
	(ii) Cash and cash equivalents	8.93	10.14
	(iii) Bank balances other than (ii) above	16.86	16.70
	(iv) Loan	-	310.58
	(v) Other financial assets (Refer Note 10)	82.18	72.18
	(c) Other current assets	54.33	68.85
	Total current assets	951.10	1,063.60
	TOTAL ASSETS	3,648.99	3,497.00
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity share capital	931.90	931.90
	(b) Other equity	1,128.19	928.01
	Total equity	2,060.09	1,859.91
2	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	85.60	496.35
	(b) Deferred tax liabilities (net)	44.51	-
	(c) Provisions	3.91	4.04
	Total non-current liabilities	134.02	500.39
3	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	1.77	0.01
	(ii) Trade payables		
	(A) Total outstanding dues of micro enterprises and small enterprises	0.89	0.45
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises #	818.37	756.08
	(iii) Other financial liabilities	388.78	335.15
	(b) Other current liabilities	244.83	44.77
	(c) Provisions	0.24	0.24
	Total-current liabilities	1,454.88	1,136.70
	Total liabilities	1,588.90	1,637.09
	TOTAL EQUITY AND LIABILITIES	3,648.99	3,497.00

includes acceptances



R. R. Kulkarni

NOTES:

- The short term debt/ facilities of the Company are rated at "A1+" and the long term debt facilities/ NCD's are rated at "CARE AA-" with Stable Outlook by CARE Ratings.
- The listed non-convertible debentures of the Company aggregating to Rs. 180 crores as on March 31, 2021 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.
- Details of Secured Non-Convertible Debentures are as follow: (Rs. in crores)

Non-Convertible Debentures	Nos.	Paid up 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	12.05.2020	12.05.2020	-	-	-	-
Series II (8.75% NCD)	1800	180.00	-	10.02.2021	180.00	10.02.2022	15.75	10.02.2022

* Paid on due date mentioned above

- The Company has only one business segment i.e. manufacturing of raw materials for steel products.
- The pellet and coke supply agreements with JSW Steel Limited, the parent company, have been modified with effect from September 30, 2019. The modifications, inter alia, reduced tenure with revised payment terms. The management assessed the effect of the modifications, and concluded that had the modified terms been in effect at the inception of the agreements, the leases would have been classified as operating leases. Accordingly, the modifications have been accounted for as operating leases of the pellet and coke plants, and the carrying amounts of these plants have been recognised, and measured as the net investment in lease immediately before September 30, 2019.
- Pellet Manufacturing facilities of the Company in Dolvi, Maharashtra were closed on March 24, 2020 following countrywide lockdown due to COVID-19 however the Coke manufacturing facilities remained operational. The Company has restarted its Pellet manufacturing facilities in April 2020. Based on the assessment of the impact of COVID-19 on the operations of the Company and ongoing discussions with the management of the parent company, vendors and service providers, the Company believes that it would be able to serve the parent company orders and obtaining regular supply of raw materials and logistics services. In view of take or pay agreement with the parent company for supply of Pellet and Coke, the management does not foresee any material adverse impact of COVID-19 on its business.
- Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ('Ordinance') issued by the Ministry of Law and Justice (Legislative Department) on September 20, 2019 which is effective from April 01, 2019, domestic companies have the option to pay corporate income tax rate at 22% plus applicable surcharge and cess ('New tax rate') subject to certain conditions. The Company has made an assessment of the impact of the Ordinance and decided to continue with the existing tax structure until utilization of accumulated minimum alternative tax (MAT) credit against the tax liability. Accordingly, the Company has written back an amount of Rs. 75 crores during the previous year ended March 31, 2020, arising from the re-measurement of deferred tax liability which is expected to be reversed in future when the Company would opt for the New tax rate as per the Ordinance.
- The figures for the half years ended March 31, 2021 and March 31, 2020 are the balancing figures between the audited figures in respect of full financial year and the published year to date figures upto the half years for the relevant financial year which were subjected to limited review by the statutory auditors.
- The Code on Social Security, 2021 ('the Code') received presidential assent on September 28, 2020. However, the date on which the Code will come into effect has not yet been notified. The Company will record any related financial impact of the Code in the books of account, in the period(s) in which the Code becomes effective.
- The Company based on assessment of eligibility and entitlement under the 'Package Scheme of Incentives 2007' ("the Scheme") read with subsequent resolutions issued by Government under GST regime, has recognised the GST Incentive under the Other operating income. The Company has responded to the provisional sanction orders received from the Government, subsequent to the year end. The management believes, based on independent legal advice, that certain modalities of sanction and disbursement of Incentive prescribed under the aforesaid resolutions and provisional sanction orders issued thereunder, are not legally tenable and has accordingly continued to recognize the incentive aggregating to Rs. 19.38 crore and Rs. 41.01 crore for the six months and year ended March 31, 2021, respectively (Rs. 24.72 crore and Rs. 39.17 crore for the six months and year ended March 31, 2020, respectively). Value added tax/ Goods and Service Tax Incentive receivable is Rs. 208.68 crore as at March 31, 2021 (Rs. 176.23 crore as at March 31, 2020).



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- 11 In terms of the disclosure requirement to comply with SEBI circular regarding Fund raising by issuance of Debt Securities by Large Entities, the Company has not raised any funds during the year through Incremental borrowings with original maturity of more than one year.
- 12 The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on May 15, 2021. The statutory auditors of the Company has conducted audit of the above audited financial results for the year ended March 31, 2021.

Date: May 15, 2021
Place: Mumbai



For Amba River Coke Limited

Prem Pushkar Varma
Whole-time Director





A wholly owned subsidiary of JSW Steel Ltd.

Amba River Coke Limited

Regd. Office : JSW Centre,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051
CIN. : U23100MH1997PLC110901
Phone : +91 22 4286 1000
Fax : +91 22 4286 3000

15th May, 2021

BSE Limited,
Phizore Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Ref : Non-convertible Debentures –
ISIN No : INE503N07023
Scrip Code : 955708

Sub: Declaration pursuant to Regulation 52(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular No. CIR/CFD/CMD/56/2016 dated 27th May, 2016

Pursuant to Regulation 52(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/56/2016 dated 27th May, 2016, we hereby declare that the Statutory Auditors of the Company, M/s Deloitte Haskins & Sells LLP, Chartered Accountant (Firm Regn. No. 117366W/W-100018) have issued an Audit Report with unmodified opinion on the Audited Financial Results of the Company for the year ended 31st March, 2021.

Thanking you,

Yours Faithfully,
For **Amba River Coke Limited**

Prem Pushkar Varma
Whole-time Director