

PIONEER DISTILLERIES LIMITED

Corporate Office :

'UB Tower', # 24, Vittal Mallya Road

Bangalore - 560 001, Karnataka

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November 11, 2014

NSE - Corporate Office

National Stock Exchange of India Limited

Exchange Plaza, Plot No.C-1, Block G,

Bandra Kurla Complex, Bandra East,

Mumbai 400 051

BSE Limited

Phiroze Jeejeebhoy Towers,

Dalal Street,

Mumbai 400 001

Pune Stock Exchange Limited

Shivleela Chambers,

1st Floor, 752 Sadashiv Peth,

R.B. Kumathekar Marg,

Pune 411 030

Dear Sirs,

Sub: Unaudited Financial Results (Provisional) for the quarter and six months ended September 30, 2014

The Board of Directors of the Company at their meeting held today, has considered and taken on record the Unaudited Financial Results (Provisional) of the Company for the quarter and six months ended September 30, 2014. We forward herewith a copy thereof for your information and records along with the Limited Review Report received from the statutory auditors of the Company which was placed at the said Board Meeting.

We are making arrangements to publish the above results in the newspapers in terms of the Listing Agreement.

Please take the above on your record and acknowledge the same.

Thanking you,

Yours faithfully,
for PIONEER DISTILLERIES LIMITED

SANTHOSH KUMAR KEERTHI
Company Secretary

Encl: as above



PIONEER DISTILLERIES LIMITED
Registered Office: UB House, Plot No. 36, Street No. 4, Srinagar Colony, Hyderabad - 500073

Part -I Statement of Standalone Unaudited Financial Results for the Quarter and six months ended 30th September 2014

Amount is Rs Lacs

S.No.	PARTICULARS	Three Months Ended			Year to date figures for the period ended		Year Ended
		30/09/2014	30/06/2014	30/09/2013	30/09/2014	30/09/2013	31/03/2014
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Part-I						
	Income from Operations						
	a. Net Sales/Income from Operations (Net of excise duty)	3194.78	2646.39	3762.13	5841.17	6742.84	12890.39
	b. Other Operating Income (including scrap sale)	404.37	297.90	20.81	702.27	40.17	1687.63
	Total Income from operations (net)	3599.15	2944.29	3782.95	6543.44	6783.01	14578.02
2	Expenses						
	a) Cost of materials consumed	2547.90	1160.74	3698.13	3708.64	6783.09	11294.80
	b) Changes in Inventories of Finished goods, work in progress and Stock in trade	116.09	1289.03	(307.02)	1405.13	(656.63)	453.38
	c) Employee benefit expense	168.92	164.03	145.77	332.95	275.10	596.47
	d) Depreciation and amortisation expense	336.69	835.26	242.36	1171.96	474.26	1067.92
	e) Other expenses	300.15	403.60	319.61	703.76	675.57	1385.84
	Total Expenses	3469.76	3852.66	4098.84	7322.42	7551.39	14798.40
3	Profit/(Loss) from Operations before Other Income, finance cost and Exceptional Items (1-2)	129.39	(908.37)	(315.89)	(778.98)	(768.38)	(220.38)
4	Other Income	0.29	0.29	0.29	0.58	0.59	1.18
5	Profit/(Loss) from ordinary activities before Finance Costs (3+4)	129.68	(908.08)	(315.60)	(778.40)	(767.79)	(219.21)
6	Finance Cost	493.63	503.53	526.70	997.17	906.81	1910.33
7	Profit/(Loss) from ordinary activities after finance cost but before Exceptional Items (5-6)	(363.95)	(1411.62)	(842.29)	(1775.56)	(1674.60)	(2129.53)
8	Exceptional items	0.00	0.00	0.00	0.00	0.00	0.00
9	Profit/(Loss) from ordinary activities before tax (7+8)	(363.95)	(1411.62)	(842.29)	(1775.56)	(1674.60)	(2129.53)
10	Tax Expenses	0.00	0.00	0.00	0.00	0.00	0.00
11	Net Profit/(Loss) from ordinary activities after tax (9-10)	(363.95)	(1411.62)	(842.29)	(1775.56)	(1674.60)	(2129.53)
12	Extraordinary Items (net of tax expenses)						
13	Net Profit/(Loss) for the period	(363.95)	(1411.62)	(842.29)	(1775.56)	(1674.60)	(2129.53)
14	Paid-up Equity share capital (Face value of Rs.10 each)	1338.82	1338.82	1338.82	1338.82	1338.82	1338.82
15	Reserves excluding revaluation reserves as per the balance sheet of previous accounting year		-	-			(7,151.84)
16	Earnings per Share(EPS) before exceptional items						
	Basic and Diluted (not annualized)	(2.72)	(10.54)	(6.29)	(13.26)	(12.51)	(15.91)
17	Earnings per Share(EPS) after exceptional items						
	Basic and Diluted (not annualized) after exceptional items	(2.72)	(10.54)	(6.29)	(13.26)	(12.51)	(15.91)

Part II: Select Information for the Quarter and period ended 30th September 2014

A	PARTICULARS OF SHAREHOLDING						
	1. Public shareholding						
	-Number of shares	3347050	1826983	1880691	3347050	1880691	1826983
	-Percentage of shareholding	25.00%	13.65%	14.05%	25.00%	14.05%	13.65%
	2. Promoter and Promoter group shareholding						
	a) Pledged/Encumbered						
	-Number of shares	9999920	9999920	9999920	9999920	9999920	9999920
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	99.59%	86.50%	86.90%	99.59%	86.90%	86.50%
	-Percentage of shares (as a % of the total share capital of the company)	74.69%	74.69%	74.69%	74.69%	74.69%	74.69%
	b) Non-encumbered						
	-Number of shares	41230	1561297	1507589	41230	1507589	1561297
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.41%	13.50%	13.10%	0.41%	13.10%	13.50%
	-Percentage of shares (as a % of the total share capital of the company)	0.31%	11.66%	11.26%	0.31%	11.26%	11.66%
B	Investor Complaints						
	Pending at the beginning of the quarter	Nil					
	Received during the quarter	Nil					
	Disposed during the quarter	Nil					
	Remaining unresolved at the end of the quarter	Nil					

PIONEER DISTILLERIES LIMITED

Unaudited Financial Results for the quarter and six months ended September 30, 2014

Notes:

1. The Company is primarily engaged in the business of Rectified Spirit, Extra Neutral Alcohol and allied products. Since the inherent nature of all these activities are integrated and governed by the same set of risk and returns and operating in the same economic environment, these have been grouped as a single segment in the financial results. The said treatment is in accordance with the Accounting Standard (AS 17) on "Segment Reporting".
2. Consequent to the enactment of the Companies Act, 2013 (the Act) and its applicability for accounting periods commencing from April 1, 2014, the Company has realigned the remaining useful life of its tangible fixed assets in accordance with the provisions prescribed under Schedule II to the Act. Consequently, in case of tangible fixed assets which have completed their useful life, the carrying value (net of residual value) as at April 1, 2014 amounting to Rs.1183 Lacs has been adjusted to "Surplus in the Statement of Profit and Loss" and in case of other tangible fixed assets the carrying value (net of residual value) is being depreciated over the revised remaining useful lives. Accordingly, the depreciation and amortization expense for the quarter and six months ended September 30, 2014 is higher by Rs.276 Lacs and Rs.556 Lacs respectively.
3. As a matter of prudence, net deferred tax asset has not been recognized.
4. The reference made by the Company to the Hon'ble Board for Industrial and Financial Reconstruction (BIFR) in compliance with Section 15 of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) has been registered as Case No. 70/2012. The matter is pending before BIFR for further orders.
5. During the quarter under review, United Spirits Limited (USL), holding company of the Company has divested 11.35% of the equity share capital of the Company, to enable the Company to achieve a minimum public shareholding of 25% in terms of the requirements of Clause 40A of the listing agreement.
6. Previous periods / year's figures have been regrouped, wherever necessary, to conform to the current period presentation.
7. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 11th November 2014.

By authority of the Board

Place: Bangalore
Date: 11th November 2014

Sd/-
P.A. Murali
Chairman

PIONEER DISTILLERIES LIMITED

Registered Office: UB House, Plot No. 36, Street No. 4, Srinagar Colony, Hyderabad - 500073



STATEMENT OF ASSETS & LIABILITIES

Rs. in Lakhs

	As At 30/09/2014 Unaudited	As At 31/03/2014 Audited
A EQUITY AND LIABILITIES		
1 Shareholders Funds :		
(a) Share Capital	1,341.94	1,341.94
(b) Reserves and Surplus	(10,110.91)	(7,151.84)
Sub-total - Shareholder's funds	(8,768.97)	(5,809.90)
2 Non-current Liabilities		
(a) Long term borrowings	4,106.85	5,252.00
(b) Deferred Tax Liability (net)	1,203.36	1,203.36
(c) Other Long-term liabilities	13,609.82	13,595.07
Sub-total - non-current liabilities	18,920.02	20,050.42
3 Current Liabilities		
(a) Short-term borrowings	1,489.17	1,506.02
(b) Trade Payables	3,508.49	2,490.34
(c) Other Current Liabilities	19,175.84	14,493.30
(d) Short-term provisions	154.61	128.41
Sub-total - Current liabilities	24,328.11	18,618.08
TOTAL EQUITY AND LIABILITIES	34,479.17	32,858.60
B ASSETS		
1 Non-current Assets		
(a) Fixed Assets	22,137.88	23,223.95
(b) Long term Loans and advances	3,444.96	2,998.52
(c) Other Non-Current Assets	44.19	27.06
Sub-total-Non-Current assets	25,627.03	26,249.53
2 Current Assets		
(a) Inventories	4,569.57	3,777.76
(b) Trade Receivables	52.78	88.62
(c) Cash and Cash Equivalents	1,229.11	147.01
(d) Short term Loans and Advances	931.65	931.06
(e) Other Current Assets	2,069.03	1,664.61
Sub-total-Current assets	8,852.13	6,609.07
TOTAL ASSETS	34,479.17	32,858.60

LIMITED REVIEW REPORT

To,
The Board of Directors
PIONEER DISTILLERIES LIMITED

We have reviewed the accompanying statement of unaudited financial results of PIONEER DISTILLERIES LIMITED for the quarter ended 30th September, 2014 ("the statement") except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. The statement is the responsibility of the Company's Management and has been approved by the board of directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review of the statement 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the accounting standards notified under the Companies Act, 1956 (which continue to be applicable in respect of section 133 of the Companies Act 2013, in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matters:

Without qualifying, we draw attention to the fact that financial results have been prepared on the principles of a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has incurred loss during the current quarter as also a loss of Rs. 212,953,305 during the year ended March 31, 2014 and, as of that date, net worth has been substantially eroded. These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The parent company, United Spirits Limited, has provided a letter of support in which it confirms its intention to provide the Company, at least for the forthcoming twelve months, with any financial, technical and administrative support it may require in order to pursue the operation and honour the commitments. Accordingly, management believes that it is appropriate to prepare the financial results on a going concern basis. Therefore, the financial results do not include any adjustment relating to the recoverability and classification of recorded assets and to the amounts of liabilities that might be necessary should the Company be able to unable continue as a going concern.



Mumbai
Date: November 11, 2014

For Lodha and Co.
Chartered Accountants

R.P. Baradiya
R.P. Baradiya
Partner

Membership No. 44101
ICAI Firm Registration No. 301051E