

Corporate Office:

Level 9, Canberra, UB City,

#24, Vittal Mallya Road,

Bangalore 560 001

Tel: +91 40 2970 3391

80 3985 6609

Fax: +91 80 3985 6862

info@pioneerdistilleries.com

www.unitedspirits.in

www.pioneerdistilleries.com

November 07, 2017

BSE Limited

Phiroze Jeejeebhoy Towers,

Dalal Street,

Mumbai 400 001

National Stock Exchange of India Limited

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

Bandra Kurla Complex, Bandra East,

Mumbai 400 051

Dear Sirs,

Sub: Outcome of the Board Meeting of Pioneer Distilleries Limited held on November 07, 2017

This is to inform you that the Board of Directors of the Company at their meeting held today, has considered and taken on record the Unaudited Financial Results of the Company, in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the quarter and six months ended September 30, 2017. 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 SEBI Listing Regulations.

This is to further inform you that the Board of Directors at the said meeting, has appointed Mr. Sanjoy Sarkar, as Chief Financial Officer of the Company with effect from November 08, 2017 in place of Mr. Gopal Kothari.

We are giving below the disclosure required to be furnished by the Company under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015



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read with item 7 Para A, Part A of Schedule III to the said Regulations read with SEBI's circular no.CIR/CFD/CMD/4/2015 dated September 09, 2015.

7.1. Reason for Change -

Mr. Gopal Kothari has tendered his resignation as Chief Financial Officer of the Company with effect from November 08, 2017.

7.2. Date of appointment -

Approved by the Board of Directors at their meeting held on November 07, 2017, effective November 08, 2017.

7.3. Brief Profile for appointment -

As per Annexure I

7.4. Disclosure of relationship between – Not Applicable
Directors

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

Roxana Towers, Ground Floor, M.No.7-1-24/1/RT/G1&G2, Greenlands, Begumpet, Hyderabad 500 016
Tel: +91 04 66747388 | Fax: +91 40 66747386 | Web: www.pioneerdistilleries.com | Email: info@pioneerdistilleries.com
Corporate Identity Number: L24116TG1992PLC055108

Statement of Unaudited Financial Results for the quarter and six months ended September 30, 2017

Rs in Lakhs

PARTICULARS	3 months ended September 30, 2017	3 months ended June 30, 2017	3 months ended September 30, 2016	6 months ended September 30, 2017	6 months ended September 30, 2016	Previous year ended March 31, 2017
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income						
(a) Revenue from operations	2,826	3,687	1,952	6,513	3,595	11,315
(b) Other income (refer note 2)	1,544	10,367	-	11,911	1,656	3
Total income	4,370	14,054	1,952	18,424	5,251	11,318
2 Expenses						
(a) Cost of materials consumed	2,699	3,451	1,732	6,150	2,666	7,191
(b) Changes in Inventories of Finished goods and work in progress	(829)	(116)	(77)	(945)	(9)	193
(c) Excise duty	-	12	1	12	8	14
(d) Employee benefit expense	280	245	166	525	365	766
(e) Finance costs	551	546	467	1,097	895	1,932
(f) Depreciation and amortisation expense	805	792	655	1,597	1,302	2,733
(g) Other expenses	713	834	699	1,547	1,304	2,836
Total expenses	4,219	5,764	3,643	9,983	6,531	15,665
3 Profit / (loss) before exceptional items and taxation (1-2)	151	8,290	(1,691)	8,441	(1,280)	(4,347)
4 Exceptional items (net)	-	-	-	-	-	-
5 Profit / (loss) before taxation (3+4)	151	8,290	(1,691)	8,441	(1,280)	(4,347)
6 Income tax expense						
(a) Current tax	(50)	200	-	150	-	-
(b) Deferred tax charge/(credit)	3	2,574	(340)	2,577	(247)	(1,339)
(c) MAT credit utilised/ (availed)	50	(200)	-	(150)	-	-
7 Profit / (loss) for the period (5-6)	148	5,716	(1,351)	5,864	(1,033)	(3,008)
8 Other comprehensive income/ (expenses)						
Items that will not be reclassified to profit or loss						
Remeasurements of post-employment benefit obligations	-	-	-	-	-	(12)
Total other comprehensive income for the year, net of tax	-	-	-	-	-	(12)
9 Total comprehensive income (7+8)	148	5,716	(1,351)	5,864	(1,033)	(3,020)
10 Paid-up equity share capital (Face value of Rs.10 each)	1,339	1,339	1,339	1,339	1,339	1,339
11 Earnings per share of Rs. 10/- each (not annualised)						
Basic and diluted (Amounts in Rs.)	1.11	42.70	(10.09)	43.80	(7.72)	(22.47)



*Govil
Brunner*



PIONEER DISTILLERIES LIMITED

Registered Office: Roxana Towers, Ground Floor, M.No.7-1-24/1/RT/G1&G2, Greenlands, Begumpet, Hyderabad
500 016

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Corporate Identity Number: L24116TG1992PLC055108

Statement of assets and liabilities as at September 30, 2017

Particulars	Rs. in Lakhs	
	As At September 30, 2017	As At March 31, 2017
	Unaudited	Audited
ASSETS		
Non-current assets		
Property, Plant and Equipment	15,479	16,672
Capital work - in - progress	12,981	10,808
Financial asset		
Security Deposit	182	141
Deferred tax assets (net)	2,470	5,047
Government Grant	6,628	1,861
Other non - current assets	2,802	2,573
Total-Non-current assets	40,542	37,102
Current assets		
Inventories	3,015	5,208
Financial assets		
Trade Receivables	68	142
Cash and Cash Equivalents	84	33
Others financial assets	3	3
Advance income tax (net)	58	58
Government Grant	8,657	1,544
Other current assets	1,447	2,009
Total-Current assets	13,332	8,997
Total Assets	53,874	46,099
EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,342	1,342
Other Equity	37	(5,827)
Total Equity	1,379	(4,485)
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	877	1,279
Other long-term liabilities	20,541	19,991
Long-term provisions	163	164
Total non-current liabilities	21,581	21,434
Current liabilities		
Financial liabilities		
Borrowings	8,178	7,969
Trade Payables	2,010	2,287
Other Current financial liabilities	1,820	2,351
Other current liabilities	18,724	16,539
Short-term provisions	32	4
Current tax liabilities (net)	150	-
Total - current liabilities	30,914	29,150
Total equity and liabilities	53,874	46,099



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b



PIONEER DISTILLERIES LIMITED

Statement of Unaudited Financial Results for the quarter and six months ended September 30, 2017

Notes:

1. Pioneer Distilleries Limited ('the Company') is primarily engaged in the business of Extra Neutral Alcohol, Malt Spirit, Indian Made Foreign Liquor ('IMFL') and allied products. Since all these segments meet the aggregation criteria as per the requirements of Ind AS 108 on 'Operating segments', the management considers these as a single reportable segment.
2. The Company is entitled to government grant from the State of Maharashtra for setting up Projects in notified rural area in the form of refund of taxes under Maharashtra Value Added Tax Act, 2002. During the quarter ended June 30, 2017, the Company had received Eligibility Certificate of Rs. 11,880 lakhs for Mega Subsidy Phase II Project from the Government of Maharashtra under Package Scheme of Incentives, 2007. Consequently, Government Grant of Rs. 1,514 lakhs and Rs. 10,366 lakhs have been recognised during the quarter ended September 2017 and June 2017 respectively representing VAT up to the period ended then. Similar grant recognised in comparative period is Rs. Nil during the quarter ended September 2016, Rs. 1,656 lakhs for the six months ended September 2016 and year ended March 2017.
3. The Company has entered into a tie-up manufacturing agreement with United Spirits Limited ('USL'), the holding company. In terms of this agreement, the Company manufactures, under USL's supervision, brands owned and marketed by USL. Under the arrangement, the Company is entitled to bottling fees and other risk and rewards of the activity rests with USL. Under Ind-AS on 'Revenue', the Company has assessed its relationship with USL to be that of an agent and has accordingly -

- a. recorded the income under tie-up manufacturing agreement which is included in Revenue from operations as detailed below:

Rs. in lakhs

	Three Months Ended			Six Months Ended		Year Ended
	30/09/2017	30/06/2017	30/09/2016	30/09/2017	30/09/2016	31/03/2017
Income	141	105	99	246	187	445



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- b. gross sales, excise duty and cost of goods sold (the net impact of which is nil) as indicated below in the respect of these operations are not disclosed by the Company.

Rs. in lakhs

	Three Months Ended			Six Months Ended		Year ended
	30/09/2017	30/06/2017	30/09/2016	30/09/2017	30/09/2016	31/03/2017
Gross sales	12,522	10,019	8,952	22,541	17,320	40,344
Excise duty	(10,602)	(8,478)	(7,343)	(19,080)	(14,196)	(33,674)
Cost of goods sold	(1,920)	(1,541)	(1,609)	(3,461)	(3,124)	(6,670)
Net impact	-	-	-	-	-	-

- c. adjusted the net working capital as indicated below with the outstanding of USL.

Rs. in lakhs

	As At	
	30/09/2017	31/03/2017
Inventories	1,330	742
Other current assets	(245)	(199)
Financial liabilities		
Trade payables	(1,157)	(1,348)
Other current financial liabilities	(525)	(309)
Other current liabilities	(2,058)	(1,845)
	(2,655)	(2,959)

- The results for quarter and six months ended September 30, 2016 and the previous year ended March 31, 2017 have been reviewed/ audited respectively, by the Company's previous statutory auditors.
- Previous period's figures have been regrouped/ reclassified to conform to the current period's presentation for the purpose of comparability.
- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on November 7, 2017.

Place: Hyderabad
Date: November 7, 2017



By authority of the Board

B. V. Krishna Reddy
B. V. Krishna Reddy
Managing Director
DIN-07293482

Good



Price Waterhouse & Co Chartered Accountants LLP

Independent Auditors' Report on Review of Interim Results for the quarter ended September 30, 2017

The Board of Directors
Pioneer Distilleries Limited
Roxana Towers, Ground Floor
M.No.7-1-24/1RT/G1&G2 Greenlands
Begumpet, Hyderabad - 500016

1. We have reviewed the unaudited financial results of Pioneer Distilleries Limited (the "Company") for the quarter ended September 30, 2017 which are included in the accompanying 'Statement of Unaudited Financial Results for the quarter and six months ended September 30, 2017' and 'Statement of Assets and Liabilities as at September 30, 2017' (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. 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 the Statement based on our review.
2. We conducted our review in accordance with the Standard 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.
3. A review is limited primarily to inquiries 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.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. (a) The financial results of the Company for the quarters ended June 30, 2016 and September 30, 2016 were reviewed by another firm of chartered accountants who issued their unmodified conclusion, vide their reports dated August 5, 2016 and November 11, 2016 respectively.

(b) The financial statements of the Company for the year ended March 31, 2017 were audited by another firm of Chartered Accountants, who issued an unmodified opinion vide their report dated May 10, 2017.

Our conclusion is not qualified in respect of these matters.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/ E-300009



Gautam Dharamshi
Partner
Membership Number: 042393

Hyderabad
November 7, 2017

Price Waterhouse & Co Chartered Accountants LLP, 5th Floor, Tower 'D', The Millenia, 1 & 2 Murphy Road
Ulsoor, Bangalore-560 008
T: +91 (80) 4079 5000, F: +91 (80) 4079 5222

Registered office and Head office: Plot No. Y-14, Block EP, Sector V, Salt Lake Electronic Complex, Bidhan Nagar, Kolkata 700 091

Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E-300009 (ICAI registration number before conversion was 304026E)

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Annexure I

Brief Profile of Mr Sanjoy Sarkar, Chief Financial Officer

Mr. Sanjoy Sarkar has more than 20 years of professional experience spanning across multiple Consumer Products companies – United Spirits Limited, General Mills India, Bacardi Martini India, Whyte & Mackay India etc.

Mr. Sanjoy is working as Senior General Manager - Finance in United Spirits Limited and looking after Finance & Accounts of entire Easter Region & Nepal, since 2013, he is also a Director on the Board of United Spirits Nepal Private Limited. In his earlier stint he has handled Regional Finance Head position of RPC Deccan (Hyderabad) and also handled FP & R lead profile of RPC North. Mr. Sanjoy has also served as CFO of PDL from August 05, 2011 to February 11, 2014.

Prior to joining United Spirits Limited, he was working as Regional Commercial Manager - North of multinational food conglomerate General Mills. In Alcobev space, Sanjoy has also worked with Bacardi Martini India & Whyte & Mackay India. Mr. Sanjoy is a Merit Certificate holder qualified Cost & Management Accountant and has extensively handled Manufacturing Accounting in North, Maharashtra and Easter India.

