

Pioneer Distilleries Limited
Subsidiary of United Spirits Limited

Level 6, UB Tower
#24, Vittal Mallya Road,
Bengaluru 560 001

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Fax: +91 80 3985 6862
info@pioneerdistilleries.com

July 30, 2018

BSE Limited,
(Regular Office & Corporate Relations Dept.)
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001.
Scrip Code: 531879

National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (E), Mumbai - 400 051.
Scrip Code: PIONDIST

Dear Sir/Madam,

Sub: Intimation of unaudited financial results for the quarter and three months ended June 30, 2018

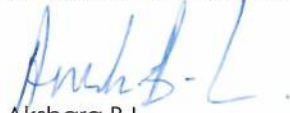
The Board of Directors of the Company at their meeting held today, has considered and approved the unaudited financial results of the Company for the quarter and three months ended June 30, 2018.

The above results along with notes on the results and limited review report thereon received from the Statutory Auditors in this regard are attached.

Kindly acknowledge receipt of the same.

Thanking you,

Yours Faithfully,
For Pioneer Distilleries Limited



Akshara B L
Company Secretary

Enclosed 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 ended June 30, 2018

Rs. in Lakhs

PARTICULARS		3 months ended June 30, 2018	3 months ended March 31, 2018 (Refer Note 6)	3 months ended June 30, 2017	Year ended March 31, 2018
		Unaudited	Audited	Unaudited	Audited
1	Income				
	(a) Revenue from operations	3,131	3,624	3,687	13,500
	(b) Government grant (refer note 3)	-	4,805	10,367	16,685
	(c) Other income	76	61	-	281
	Total income	3,207	8,490	14,054	30,466
2	Expenses				
	(a) Cost of materials consumed	2,859	3,167	3,451	11,174
	(b) Changes in inventories of work in progress and finished goods	(972)	(647)	(116)	(911)
	(c) Excise duty	-	-	12	12
	(d) Employee benefit expense	255	302	245	1,053
	(e) Depreciation expense	1,231	1,241	792	3,661
	(f) Other expenses	769	734	834	3,042
	(g) Finance costs	669	596	546	2,254
	Total expenses	4,811	5,393	5,764	20,285
3	Profit / (loss) before exceptional items and taxation (1-2)	(1,604)	3,097	8,290	10,181
4	Exceptional items (net)	-	-	-	-
5	Profit / (loss) before taxation (3+4)	(1,604)	3,097	8,290	10,181
6	Income tax expense				
	(a) Current tax	-	917	200	1,037
	(b) Deferred tax charge/ (credit)	(496)	1,021	2,574	3,180
	(c) MAT credit utilised/ (availed)	-	(917)	(200)	(1,037)
7	Profit / (loss) for the period (5-6)	(1,108)	2,076	5,716	7,001
8	Other comprehensive income/ (expenses) (net of income tax)				
	<i>Items that will not be reclassified to profit or loss</i>				
	Remeasurements of post-employment benefit obligations	-	42	-	42
	Total other comprehensive income for the year, net of tax	-	42	-	42
9	Total comprehensive income/ (expenses) (7+8)	(1,108)	2,118	5,716	7,043
10	Paid-up equity share capital (Face value of Rs.10 each)	1,339	1,339	1,339	1,339
11	Earnings/ (loss) per share of Rs. 10/- each (not annualised)				
	Basic and diluted (Amounts in Rs.)	(8.27)	15.51	42.70	52.29



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PIONEER DISTILLERIES LIMITED

Statement of Unaudited Financial Results for the quarter ended June 30, 2018

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 the entire business of the Company is evaluated and reviewed by Chief Operating Decision Maker as one reportable segment, the management considers this as a single reportable segment.
2. This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent possible.

Effective April 1, 2018, the Company has adopted Indian Accounting Standard 115 (Revenue from contracts with customers). The new standard is based on the principle that revenue is recognised when control of goods or services is transferred to the customer and provides a single, principles based five-step model to be applied to all sales contracts. It replaces the separate models for goods, services and construction contracts under previous standards (Indian Accounting Standard 11 and Indian Accounting Standard 18) which was based on the concept of transfer of risks and rewards.

The Company has completed the evaluation of its commercial arrangements with customers. The impact on adoption of the Indian Accounting Standard 115 on the results for the quarter ended June 30, 2018 is not material.

3. The Company is entitled to government grant from the State of Maharashtra for setting up projects in notified rural area under two phases. These grants are receivable in the form of VAT refunds.

Upon receipt of eligibility certificates for Rs. 18,049 lakhs under Mega Phase II during previous year, the Company recognised Rs. 4,805 lakhs, Rs. 10,367 lakhs and Rs. 16,685 lakhs representing present value of such receivables as Government Grant income for the quarters ended March 31, 2018, June 30, 2017 and year ended March 31, 2018 respectively.

4. 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 Ind-AS 115 on 'Revenue from contracts with customers', the Company has assessed its relationship with USL to be that of an agent. Risk and rewards of the activity rests



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with USL. Further, under the arrangement, the Company is entitled to bottling fees which is determined based on output and volume 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			Year Ended
	30/06/2018	31/03/2018	30/06/2017	31/03/2018
Income	84	110	105	533

- 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			Year Ended
	30/06/2018	31/03/2018	30/06/2017	31/03/2018
Gross sales	9,634	12,245	10,019	51,589
Excise duty	(6,785)	(8,756)	(8,478)	(41,877)
Cost of goods sold	(2,849)	(3,689)	(1,541)	(9,712)
Net impact	-	-	-	-

5. The Company has, on July 26, 2018, received directions ("Closure Direction") from Maharashtra Pollution Control Board, for closure of manufacturing activity of the Company under Section 33A of The Water (Prevention & Control of Pollution) Act, 1974 and under Section 31A of The Air (Prevention & Control of Pollution) Act, 1981 alleging pollution caused by the Company. The Company has filed a Writ Petition before the Hon'ble High Court of Judicature of Bombay, Aurangabad Bench seeking appropriate orders.
6. Figures for the quarter ended March 31, 2018, are the balancing figures between audited figures in respect of the full financial year ended March 31, 2018 and the published year-to-date figures up to the third quarter of the relevant financial year i.e., December 31, 2017.
7. Previous period's figures have been regrouped/ reclassified to conform to the current period's presentation for the purpose of comparability.



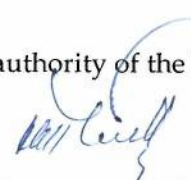
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8. This Statement of Unaudited Financial Results has been reviewed by the Audit and Risk Management Committee of the Board of Directors and approved by the Board of Directors at their meetings held on July 30, 2018. The statutory auditors of the Company have carried out a limited review of this Statement of Standalone Unaudited Financial Results for the quarter ended June 30, 2018.

Place: Bengaluru
Date: July 30, 2018

By authority of the Board


R. Krishnamurthy
Chairman & Independent
Director
DIN - 06940830



Price Waterhouse & Co Chartered Accountants LLP

The Board of Directors
Pioneer Distilleries Limited
Roxana Towers, Ground Floor
M.No.7-1-24/1RT/G1G2 Greenlands
Begumpet, Hyderabad - 500016

Independent Auditors' Report on Review of Interim Results for the quarter ended June 30, 2018

1. We have reviewed the unaudited financial results of Pioneer Distilleries Limited (the "Company") for the quarter ended June 30, 2018 which are included in the accompanying 'Statement of Unaudited Financial Results for the quarter ended June 30, 2018' (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (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.

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

Gautam Dharamshi
Partner
Membership Number: 042393

Bangalore
July 30, 2018

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Ulsoor, Bangalore-560 008
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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)