

ASSOCIATED ALCOHOLS & BREWERIES LIMITED

Regd. Office: 4th Floor, BPK Star Tower A.B. Road, Indore - 452008

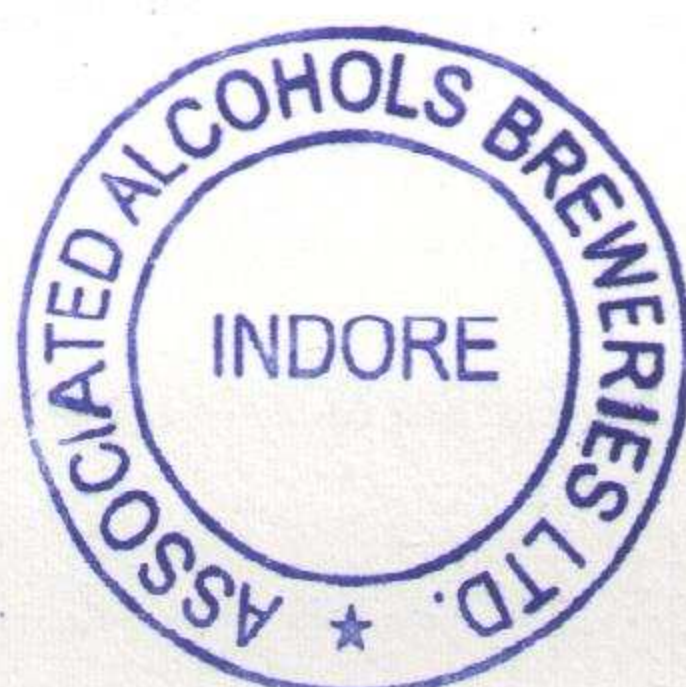
CIN: L15520MP1989PLC049380

e-mail: investorrelations@aabl.in; website: www.associatedalcohols.com, Phone: 0731-4780400

Statement of Unaudited Financial Results for the Quarter and Half Year ended September 30th, 2019

(Rs. in lakhs)

S.No	Particulars	3 months ended 30.09.2019	Preceding 3 months ended 30.06.2019	Corresponding 3 months ended 30.09.2018	6 months ended 30.09.2019	6 months ended 30.09.2018	Year ended 31.03.2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I.	Income						
	Revenue from Operations	12,255.08	13,121.10	7,525.29	25,376.18	17,466.17	41,158.18
II.	Other Income	53.05	50.62	35.71	103.67	86.22	420.56
III.	Total Income from Operations (I+II)	12,308.13	13,171.72	7,561.00	25,479.85	17,552.39	41,578.74
IV.	Expenses						
	(a) Cost of materials consumed	7,070.43	6,241.80	4,034.59	13,312.23	8,489.05	21,659.14
	(b) Purchases of stock-in-trade	40.30	45.99	11.01	86.29	12.06	78.13
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(436.58)	895.45	(549.44)	458.87	(380.90)	(1,193.25)
	(d) Excise Duty	307.57	167.14	345.42	474.71	605.15	1,304.12
	(e) Employee benefits expense	548.37	537.28	431.98	1,085.65	879.66	1,963.29
	(f) Finance Costs	46.41	59.73	42.26	106.14	84.55	223.18
	(g) Depreciation and amortisation expense	354.02	346.22	297.64	700.24	587.60	1,229.41
	(h) Power & Fuel	1,158.82	989.29	613.07	2,148.11	1,366.29	3,687.26
	(i) Other expenses	2,253.45	2,090.93	1,571.83	4,344.38	3,378.19	7,895.80
	Total Expenses (IV)	11,342.79	11,373.83	6,798.36	22,716.62	15,021.65	36,847.08
V.	Profit /(Loss) before Tax (III-IV)	965.34	1,797.89	762.64	2,763.23	2,530.74	4,731.66
VI.	Exceptional Item	-	-	-	-	-	-
VII.	Profit /(Loss) after Exceptional Item before Tax (V-VI)	965.34	1,797.89	762.64	2,763.23	2,530.74	4,731.66
VIII.	Tax Expenses						
	- Current Tax	101.33	642.01	171.97	743.34	830.69	1,600.72
	- Income Tax for Earlier Years	8.37	-	-	8.37	-	18.15
	- Deferred Tax	(250.48)	(15.16)	95.84	(265.64)	58.32	86.40
IX.	Profit /(Loss) for the period (VII-VIII)	1,106.12	1,171.04	494.83	2,277.16	1,641.73	3,026.39
X.	Other Comprehensive Income						
A	Items that will not be reclassified to Profit / (Loss) (net of tax)						
a)	Remeasurement of defined benefit plan	(4.41)	(4.01)	(2.75)	(8.42)	(10.01)	(16.03)
b)	Equity instrument through Other Comprehensive Income	10.21	10.22	8.21	20.43	16.42	40.86
c)	Income tax relating to above items	0.76	1.40	0.96	2.16	3.50	5.60
B	Items that will be reclassified to Profit / Loss (net of tax)	-	-	-	-	-	-
XI.	Total Comprehensive Income for the Period/year(IX+X)	1,112.68	1,178.65	501.25	2,291.33	1,651.64	3,056.82
XII.	Paid Up Equity Share Capital (Face Value of Rs. 10/- each)	1,807.92	1,807.92	1,807.92	1,807.92	1,807.92	1,807.92
XIII.	Other Equity excluding Revaluation Reserve	-	-	-	-	-	13,107.89
XIV.	Earning/(Loss) per Equity share (not annualised)						
	Basic	6.12	6.48	2.74	12.60	9.08	16.74
	Diluted	6.12	6.48	2.74	12.60	9.08	16.74



ASSOCIATED ALCOHOLS & BREWERIES LIMITED

Regd. Office: 4th Floor, BPK Star Tower A.B. Road, Indore - 452008

CIN: L15520MP1989PLC049380

e-mail: investorrelations@aabl.in; website: www.associatedalcohols.com, Phone: 0731-4780400

Statement of Assets and Liabilities as at September 30th, 2019

(Rs. in lakhs)		
Particulars	As at 30 September, 2019	As at 31st March, 2019
	Unaudited	Audited
I. ASSETS		
1 Non-Current Assets		
(a) Property, Plant and Equipment	11,578.89	11,628.79
(b) Capital Work-In-Progress	507.72	192.74
(c) Intangible Assets	11.29	11.46
(d) Financial Assets		
(i) Investments	328.85	308.42
(ii) Loans	112.82	98.47
(iii) Other Financial Assets	82.57	40.59
(e) Other Non-Current Assets	815.02	648.13
Total Non-Current Assets	13,437.16	12,928.60
2 CURRENT ASSETS		
(a) Inventories	5,484.41	5,592.45
(b) Financial Assets		
(i) Trade Receivables	3,397.70	3,070.73
(ii) Cash and Cash Equivalents	130.46	174.93
(iii) Bank balances other than Cash and Cash Equivalents	327.71	366.26
(iv) Loans	1,311.45	1,634.68
(v) Other Financial Assets	183.26	194.93
(c) Other Current Assets	488.79	468.27
Total Current Assets	11,323.78	11,502.25
Total Assets	24,760.94	24,430.85
II. EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share Capital	1,807.92	1,807.92
(b) Other Equity	15,113.08	13,107.89
Total Equity	16,921.00	14,915.81
LIABILITIES		
1 Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	846.51	753.06
(b) Provisions	64.64	66.38
(c) Deferred Tax Liabilities (Net)	617.25	874.92
(d) Non-Current Tax Liabilities	121.92	7.64
Total Non-Current Liabilities	1,650.32	1,702.00
2 Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	170.37	1,474.96
(ii) Trade Payables		
-Total outstanding dues of micro enterprises and small enterprises; and	112.47	197.61
-Total outstanding dues of creditors other than micro enterprises and small enterprises	2,422.56	2,859.88
(iii) Other financial liabilities	1,204.73	1,512.79
(b) Other Current Liabilities	1,962.11	1,546.80
(c) Provisions	20.92	2.08
(d) Current Tax Liabilities (Net)	296.46	218.92
Total Current Liabilities	6,189.62	7,813.04
Total Equity & Liabilities	24,760.94	24,430.85



ASSOCIATED ALCOHOLS & BREWERIES LIMITED
CIN: L15520MP1989PLC049380
CASH FLOW STATEMENT

Particulars	(Rs in Lakhs)	
	For the six month ended 30 September, 2019	For the six month ended 30 September, 2018
A CASH FLOW FROM OPERATING ACTIVITIES	2,763.23	2,530.74
Profit Before TAX		587.60
Adjustments for:	700.24	84.55
Depreciation / Amortisation	106.14	11.59
Finance Cost	17.50	(72.55)
Impairment allowances	(98.60)	(6.93)
Interest Income	3.21	(0.05)
Loss on disposal of Property, Plant & Equipment	0.83	23.17
Sundry Balances Written Back	18.23	
Other Provisions Created/(utilised)	3,510.78	3,158.12
Operating Profit before Working Capital Changes		
Movement in Working Capital :		
(Increase)/Decrease in Trade Receivables	(327.76)	(1,068.71)
(Increase)/Decrease in Inventories	89.81	(992.19)
(Increase)/Decrease in Financial Assets	12.19	7.40
(Increase)/Decrease in Other Assets	(18.43)	141.44
Increase/(Decrease) in Trade Payables	(523.29)	589.55
Increase/(Decrease) in Financial Liabilities	418.03	354.92
Increase/(Decrease) in Other Liabilities & Provisions	429.41	155.79
Cash Generated from Operations	3,590.74	2,346.32
Direct Taxes Paid	(585.12)	(1,007.69)
Net Cash Flow generated from Operating Activities	3,005.62	1,338.63
B Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment, CWIP and Intangibles	(1,304.02)	(2,100.00)
Proceed from the Sale of Property, Plant & Equipment	2.35	18.19
Loan (Given)/Refund (Net)	307.59	609.39
Bank balances other than Cash and Cash Equivalents	(2.66)	(215.30)
Interest Income received	98.60	72.55
Net Cash Flow used in Investing Activities	(898.14)	(1,615.17)
C Cash Flow from Financing Activities		
Proceeds from Non Current Borrowings	-	129.92
Repayment of Non Current Borrowings	(440.73)	-
Proceeds from/(Repayment of) Current Borrowings (Net)	(1,404.37)	298.65
Repayment of Lease Obligation	-	-
Finance Cost paid	(99.86)	(46.28)
Dividend paid to equity shareholders	(169.83)	(170.75)
Dividend Distribution tax	(37.16)	(37.16)
Net Cash Flow used in Financing Activities	(2,151.95)	174.38
Net increase/(decrease) in Cash and Cash equivalent (A+B+C)	(44.47)	(102.16)
Cash & Cash equivalent at the beginning of the year	174.93	238.26
Cash & Cash equivalent at the end of the year	130.46	136.10



ASSOCIATED ALCOHOLS & BREWERIES LIMITED

Notes :-

- 1 The above financial results which have been prepared in accordance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular dated July 5, 2016, have been reviewed by Audit Committee in their meeting dated November 9, 2019 and approved by the Board of Directors at their meeting held on November 9, 2019. The above results have been subjected to Limited Review by the Statutory Auditors.
- 2 The financial results of the company have been prepared in accordance with the Indian Accounting Standards (IND AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies (Indian Accounting Standards) (Amendment) Rules, 2016.
- 3 In absence of any clarity in respect to levy of Value Added Tax (VAT) / Goods & Service Tax (GST) on sale of Rectified spirit (RS) & Extra Neutral Alcohol (ENA), the company continues to collect VAT and Central Sales Tax (CST) for intra-state and inter-state respectively on sale of these products w.e.f. 01st July 2017. Pending clarification, VAT collected during the period (from 01st July 2017 to 31st March 2018 and from 01st April 2019 to 30th September 2019) on sales of RS & ENA amounting to Rs. 456.42 Lakhs (including Rs. 131.93 lakhs & Rs. 259.19 Lakhs for the quarter & half year ended 30th June 2019 & 30th September 2019 respectively) has been withheld by the company and would be deposited upon receipt of necessary clarification. Differential liability, if any, is not presently ascertainable at this point and will be accounted for upon getting necessary clarification.
- 4 The Ministry of Corporate Affairs has notified Indian Accounting Standard 116 ('Ind AS 116'), Leases, with effect from 01st April, 2019. The Standard primarily requires the Company, as a lessee, to recognize, at the commencement of the lease a right-to-use asset and a lease liability (representing present value of unpaid lease payments). Such right-to-use assets are subsequently depreciated and the lease liability reduced when paid, with the interest on the lease liability being recognized as finance costs, subject to certain remeasurement adjustments.

The company has elected to apply this Standard to its leases with modified approach. Under this approach, the company has recognized lease liabilities and corresponding equivalent right to use assets. In the statement of profit & loss for the current quarter & half year ended, operating lease expenses which were recognised as other expenses in previous periods is now recognised as depreciation expenses on right to us assets and finance cost for interest accrued on such lease liability. The application of IND AS 116 does not have any significant impact on financial results of the company for the quarter ended 30th September 2019.
- 5 There was no exceptional item during the quarter ended September 30th, 2019.
- 6 As the Company's business activity falls within a significant primary business segment "Potable Alcohols", no separate segment information is disclosed.
- 7 Section 115BAA of the Income Tax 1961 has been introduced by the Taxation Laws (Amendment) Ordinance 2019 on September 20, 2019 and the same is effective from April 01, 2019. The section provides with an option to opt for lower rate of Corporate Income Tax Rate subject to certain conditions. The company has exercised the above option and accordingly the deferred tax (net) as at March 31, 2019 and the tax expense for the current period have been re-measured and given effect in the current quarter.
- 8 The figures for the previous period/year have been regrouped/reclassified/rearranged, wherever necessary, to correspond with the current period's classification/disclosure.

Place: Indore
Date: November 9, 2019



For Associated Alcohols & Breweries Limited

Tushar Bhandari
(Whole Time Director)
DIN No: 03583114



Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To,
The Board of Directors,
Associated Alcohols & Breweries Limited

1. We have reviewed the accompanying statement of unaudited Financial Results of **Associated Alcohols & Breweries Limited** ("the Company") for the Quarter ended September 30, 2019 and year to date from April 01, 2019 to September 30, 2019 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulation'), read with SEBI Circular No. CIR/CFD/CMD1 /44/2019 dated March 29, 2019 ('the Circular'). Attention is drawn to the fact that the statement of cash flows for the corresponding period from April 1, 2018 to September 30, 2018, as reported in these unaudited financial results has been approved by the Board of Directors of the Company, but has not been subjected to our review.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors in their meeting held on November 9th, 2019, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133, of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement 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. 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.
4. Based on our review conducted as stated above, we report that, nothing has come to our attention that causes us to believe that the accompanying statement of the Results, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards as prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material mis-statement.
5. Attention is drawn to the following notes of the accompanying results:
 - a. Attention is also drawn to note no. 3 of the statement in respect of levy of Goods & Service Tax (GST) on sale of Rectified spirit (RS) & Extra Neutral Alcohol (ENA) in which the company continues to collect Value Added Tax (VAT) and Central Sales Tax (CST) for intra state and interstate sale of above products respectively w.e.f. 1st July 2017. Pending clarification, VAT collected from 1st July 2017 to 31st March 2018 & from 1st April 2019 to 30th September 2019 on sales of RS & ENA amounting to Rs. 456.42 Lakhs



Singhi & Co.

Chartered Accountants

.....contd.

(including Rs. 131.93 lakhs & Rs. 259.19 Lakhs for the quarter & half year ended 30th June 2019 & 30th September 2019 respectively) shall be deposited upon receipt of necessary clarification. Further as enumerated in the note, differential liability, if any, will be accounted for upon getting necessary clarification from the appropriate authority.

Our opinion is not modified in respect of above matters.



For Singhi & Co.
Chartered Accountants
Firm's Registration No. 302049E

(GOPAL JAIN)
Partner

Membership No. 59147
UDIN: 19059147AAAABU4970

Place: Indore

Date: 9th Day of November, 2019