

Independent Auditor's Review Report on the Quarterly 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, 2023 and year to date from April 1, 2023 to September 30, 2023 ("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 Listing Regulation').
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 08, 2023, 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 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion 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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standard on Auditing and does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. 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, 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 there under and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulation, including the manner in which it is to be disclosed, or that it contains any material mis-statement.



Place: Kolkata

Date: November 8, 2023

For Singhi & Co.

Chartered Accountants

Firm's Registration No.: 302049E

(Gopal Jain)

Membership No.: 059147

UDIN: 23059147B6YQDZ2608

**ASSOCIATED ALCOHOLS & BREWERIES LIMITED**

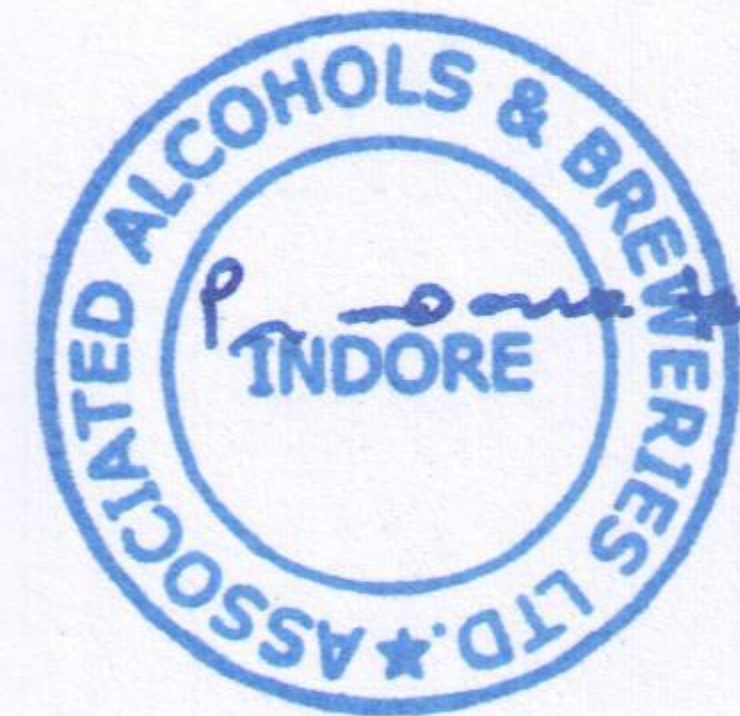
Regd. Office: 4th Floor, BPK Star Tower A.B. Road, Indore - 452008, CIN No. L15520MP1989PLC049380

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

Statement of Unaudited Financial Results for the Quarter and Half-Year Ended 30 September 2023

(INR in lakhs except as stated)

Particulars	Quarter Ended			Half-Year Ended		Year Ended
	30.09.2023	30.06.2023	30.09.2022	30.09.2023	30.09.2022	31.03.2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income						
I Revenue from operations	17,111.84	15,643.15	14,674.06	32,754.99	33,104.37	70,276.88
II Other income	249.17	207.91	317.85	457.08	494.46	891.50
III Total Income (I + II)	17,361.01	15,851.06	14,991.91	33,212.07	33,598.83	71,168.38
IV Expenses						
(a) Cost of materials consumed	9,338.73	8,439.46	8,871.42	17,778.19	18,381.85	38,203.34
(b) Purchases of stock-in-trade	-	-	-	-	158.43	197.41
(c) Changes in inventories of finished goods and stock-in-trade	(261.42)	(464.33)	(1,610.50)	(725.75)	(1,059.11)	(1,024.05)
(d) Excise duty on sale of goods	80.41	7.74	14.66	88.15	14.66	199.97
(e) Employee benefits expense	894.00	913.49	848.55	1,807.49	1,702.16	3,534.41
(f) Finance cost	49.68	55.50	27.31	105.18	51.48	141.93
(g) Depreciation and amortisation expense	336.98	334.04	370.62	671.02	740.11	1,438.87
(h) Power and Fuel	1,842.64	1,677.00	1,966.62	3,519.64	4,135.23	8,374.59
(i) Other expenses	3,274.98	3,220.66	3,500.38	6,495.64	6,667.11	14,553.77
Total Expenses	15,556.00	14,183.56	13,989.06	29,739.56	30,791.92	65,620.24
V Profit / (Loss) before exceptional item and tax (III - IV)	1,805.01	1,667.50	1,002.85	3,472.51	2,806.91	5,548.14
VI Exceptional item	-	-	-	-	-	-
VII Profit / (Loss) before tax (V - VI)	1,805.01	1,667.50	1,002.85	3,472.51	2,806.91	5,548.14
VIII Tax expense						
(a) Current tax	468.13	447.72	270.19	915.85	764.32	1,505.92
(b) Deferred tax	(8.44)	(15.00)	(21.31)	(23.44)	(52.12)	(113.38)
IX Net Profit / (Loss) for the period (VII - VIII)	1,345.32	1,234.78	753.97	2,580.10	2,094.71	4,155.60
X Other Comprehensive Income (OCI)						
Items that will not be reclassified to profit or loss						
(a) Remeasurement of defined benefit plan	(1.72)	(1.73)	2.04	(3.45)	4.08	(6.91)
(b) Equity instrument through Other Comprehensive Income	-	-	1,038.96	-	1,038.96	1,086.76
(c) Income tax related to above	0.43	0.44	(0.52)	0.87	(1.03)	1.59
XI Total Comprehensive Income / (Loss) for the period (IX + X)	1,344.03	1,233.49	1,794.45	2,577.52	3,136.72	5,237.04
XII Paid-up equity share capital - Face value of INR 10 each	1,807.92	1,807.92	1,807.92	1,807.92	1,807.92	1,807.92
XIII Other equity						34,532.46
XIV Earnings per share of INR 10 each (Not annualised)						
Basic - INR	7.44	6.83	4.17	14.27	11.59	22.99
Diluted - INR	7.44	6.83	4.17	14.27	11.59	22.99



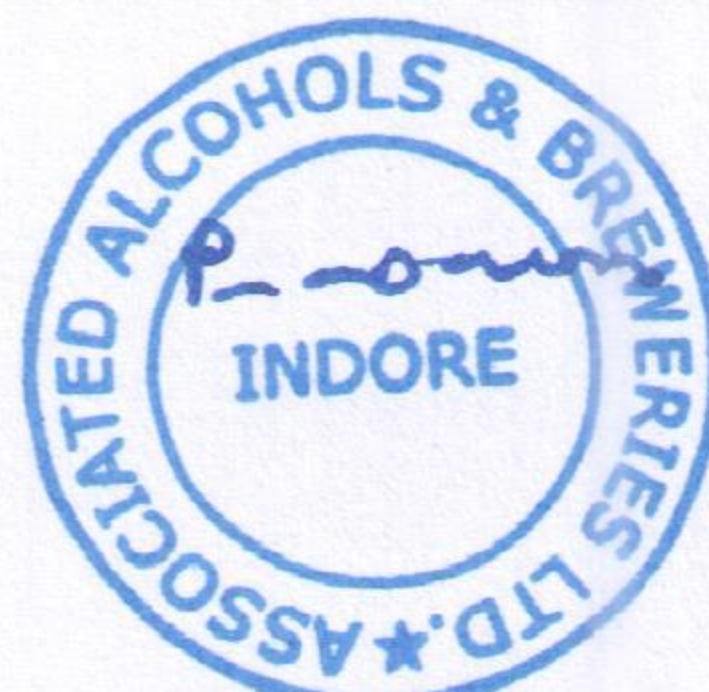


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Statement of Unaudited Assets and Liabilities as at 30 September 2023

	As at 30.09.2023	As at 31.03.2023
	INR lakhs	INR lakhs
I ASSETS		
NON-CURRENT ASSETS		
(a) Property Plant and Equipment	10,462.83	10,552.44
(b) Capital Work-In-Progress	14,914.71	11,049.22
(c) Intangible Assets	1.67	2.38
(d) Right of Use Assets	450.03	488.66
(e) Financial Assets		
(i) Investments	4,537.16	4,478.08
(ii) Other Financial Assets	649.79	322.55
(f) Non-Current Tax Assets (Net)	62.04	60.04
(g) Other Non-Current Assets	1,945.29	2,507.72
TOTAL NON-CURRENT ASSETS	33,023.52	29,461.09
CURRENT ASSETS		
(a) Inventories	10,075.63	8,419.25
(b) Financial Assets		
(i) Investments	2,255.31	1,557.82
(ii) Trade Receivables	2,097.54	1,850.70
(iii) Cash and Cash Equivalents	2,465.64	84.35
(iv) Bank balance (other than (iii) above)	2,549.86	6,094.75
(v) Loans	537.37	3,108.41
(vi) Other Financial Assets	618.44	631.92
(c) Other Current Assets	3,406.20	2,589.23
TOTAL CURRENT ASSETS	24,005.99	24,336.43
TOTAL ASSETS	57,029.51	53,797.52
II EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share Capital	1,807.92	1,807.92
(b) Other Equity	36,929.19	34,532.46
TOTAL EQUITY	38,737.11	36,340.38
LIABILITIES		
NON-CURRENT LIABILITIES		
(a) Financial Liabilities		
(i) Borrowings	6,018.94	6,668.52
(ii) Lease Liabilities	431.25	464.31
(b) Provisions	165.99	143.46
(c) Deferred Tax Liabilities (Net)	297.09	321.40
(c) Non-Current Tax Liabilities (Net)	33.27	33.27
TOTAL NON-CURRENT LIABILITIES	6,946.54	7,630.96
CURRENT LIABILITIES		
(a) Financial Liabilities		
(i) Borrowings	2,726.46	2,822.85
(ii) Lease Liabilities	57.16	49.69
(iii) Trade Payables		
Total outstanding dues of micro enterprises and small enterprises; and	331.13	223.11
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,710.46	2,363.16
(iv) Other Financial Liabilities	2,242.02	2,765.69
(b) Other Current Liabilities	2,859.38	1,547.62
(c) Provisions	23.30	6.82
(d) Current tax liabilities (Net)	395.95	47.24
TOTAL CURRENT LIABILITIES	11,345.86	9,826.18
TOTAL LIABILITIES	18,292.40	17,457.14
TOTAL EQUITY AND LIABILITIES	57,029.51	53,797.52

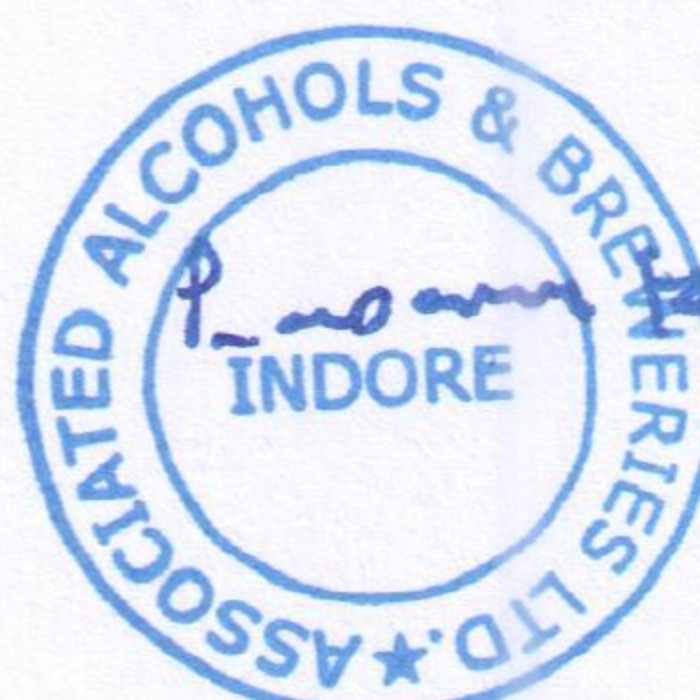


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Unaudited Cash Flow Statement for the period ended 30 September 2023

	Half-Year Ended	
	30.09.2023	30.09.2022
	INR lakhs	INR lakhs
I CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	3,472.51	2,806.91
Adjustments to reconcile profit before tax to net cash flows		
Add / (Less) :		
Depreciation and amortisation expenses	671.02	740.11
Loss on sale of property, plant and equipments	-	0.05
Gain/(Loss) on Sale/Mark to Market of Non current Investment	(39.80)	(45.58)
Provision for Bad and Dobutful Debts and Advances	11.24	76.06
Sundry Balances/ Provisions Written Back	-	(135.21)
Finance cost	105.18	51.48
Interest income	(305.73)	(300.71)
Operating profit before working capital changes	3,914.42	3,193.11
Working capital adjustments:		
Decrease / (increase) in inventories	(1,656.38)	(1,905.57)
Decrease / (increase) in trade receivables	(258.08)	240.44
Decrease / (increase) in loans and other financial assets	152.08	119.62
Decrease / (increase) in other assets	(709.20)	(638.81)
Increase/ (decrease) in trade payables	455.32	1,021.31
Increase / (decrease) in other financial liabilities	(1.53)	(47.40)
Increase / (decrease) in provisions	42.46	(21.26)
Increase / (decrease) in other liabilities	1,311.76	1,875.63
Cash Generated from Operations	3,250.85	3,837.07
Income tax paid (net of refund received)	(569.14)	(606.62)
NET CASH FLOWS FROM OPERATING ACTIVITIES (A)	2,681.71	3,230.45
II CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipments including capital work-in-progress and capital advances	(4,482.97)	(5,051.29)
Redemption / maturity of fixed deposits with banks not considered as cash and cash equivalents	3,153.21	(629.02)
Loan (Given)/Refund (Net)	2,571.04	20.37
Proceeds from / (Purchase) of Non Current Investments	(24.31)	-
Proceeds from / (Purchase) of Current Investments	(660.77)	-
Interest received	199.88	263.29
NET CASH FLOWS USED IN INVESTING ACTIVITIES (B)	756.08	(5,396.65)
III CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Non Current Borrowings	375.85	2,596.87
Repayment of Non Current Borrowings	(29.85)	-
Proceeds from / (Repayment) of Current Borrowings	(1,099.90)	(86.31)
Repayment of lease liabilities	(25.59)	(13.19)
Interest paid on lease liabilities	(25.19)	(27.45)
Dividend paid to equity shareholders	(180.79)	(180.79)
Interest paid	(71.03)	(11.21)
NET CASH FLOWS USED IN FINANCING ACTIVITIES (C)	(1,056.50)	2,277.92
IV NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (D=A+B+C)	2,381.29	111.72
Cash and cash equivalents at the beginning of the period	84.35	203.86
Cash and cash equivalents at the end of the period	2,465.64	315.58





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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 5 July 2016, have been reviewed by the Audit Committee in their meeting dated 8 November 2023 and approved by the Board of Directors at their meeting held on 8 November 2023. 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 The Office of the Director General (DG), Competition Commission of India (CCI) conducted a statewide search on 27 October 2021 on the leading distillers of the state of Madhya Pradesh. In that connection, a search was also conducted in the Company's registered office on the same day to examine the process of supply and sale of the Company's products. During the quarter, the Company received an order from the CCI based on the investigation report of the DG submitted to the CCI alleging cartelisation in the supply of certain products. The Company has challenged the jurisdiction of the CCI on the aforesaid order before the Hon'ble Delhi High Court and the Hon'ble Court has directed the Company to raise all its contentions before the CCI with the liberty to approach the Court if need arises. Accordingly, the company has sought necessary clarification from CCI and is in the process of preparing its responses as further sought in the order. No demand has been raised, and the Company does not perceive any unfavourable impact at this stage.
- 4 During the quarter, the company successfully completed the establishment of an Ethanol manufacturing facility within the existing factory premises at Barwah M.P. The trial run of the facility has been started in the month of October 2023 and expects to transition into full-scale commercial production in the coming month. In accordance with the provisions of Ind AS-108 Operating Segment, the management has designated the Ethanol business as an additional reporting segment alongside the existing Potable Alcohols segment. The Ethanol business was in the project stage as of 30 September 2023, and the segment assets and liabilities pertaining to the ethanol segment as of that date amount to INR 18,216.16 Lakhs and INR 9,145.37 Lakhs, respectively.
- 5 The figures for the previous period/year have been regrouped and reclassified to confirm the classification of the current period, wherever necessary.

For and on behalf of the Board of Directors of
Associated Alcohols & Breweries Limited

Prasann Kumar Kedia

Managing Director

DIN - 00738754

Date: 8 November 2023

Place: Indore

