

CIN: L15511TN1983PLC010313

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CIN No. L15511TN1983PLC010313
"EMPEE TOWER"
59 HARRIS ROAD
PUDUPET, CHENNAI - 600 002.



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14.02.2019

National Stock Exchange of India Ltd
"Exchange Plaza",
Bandra-Kurla Complex
Bandra (E)
Mumbai – 400 051.

Bombay Stock Exchange Limited
P.J.Towers,
Dalal Street
Mumbai – 400 001.

Dear Sir,

Sub: Outcome of Board Meeting held on 14th February, 2019.

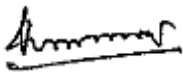
The Board at its meeting held today considered and approved, inter-alia, the Unaudited Financial statements of the Company for the quarter ended 30.9.2018.

The Meeting started at 11.30 a.m. and concluded at 2.00 p.m. today. A copy of the above results along with Limited Review Report are attached. We request you to place the above information on your website.

A copy of the above will be made available on the website of the Company : www.empeegroup.co.in

Thanking you,

Yours faithfully
For Empee Distilleries Ltd



M.P.Purushothaman
Chairman



VENKATESH & CO

Chartered Accountants

Limited Review Report on Quarterly Standalone Financial Results of Empee Distilleries Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors,
Empee Distilleries Limited

We have reviewed the accompanying statement of unaudited standalone financial results of Empee Distilleries Limited (the Company) for the quarter ended September 30th, 2018 (the Statement), being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 (Listing Regulations). Attention is drawn to the fact that the figures for the corresponding quarter and period ended September 30, 2017, including the reconciliation of profit/ loss under Indian Accounting Standards ('Ind AS') of the corresponding quarter with profit/ loss reported under previous GAAP, as reported in these financial results have been approved by the Company's Board of Directors but have not been subjected to review.

This statement, which is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on 14th February 2019. Our responsibility is to issue a report on the Statement based on our review.

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 financial results are free of material misstatements. 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.

We draw attention to the quarterly results which indicate that the company has been continuously incurring losses. The company has also defaulted in repayment of its bank borrowings. The turnover of the company has also come down significantly. These factors indicate that material uncertainty exists regarding the company being a going concern. However, the accounts of the company are compiled on a going concern basis.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Venkatesh and Co.,
Chartered Accountants
F.R No 004636S




CA Dasarthy V
Partner
M.No 026336

Place: Chennai

Date: 14/02/2019

EMPEE DISTILLERIES LIMITED

CIN: L15511TN1983PLC010313

Regd. Office : Empee Tower, No.59, Harris Road, Pudupet, Chennai - 600 002.

Statement of Un-audited Financial Results for the Quarter ended 30th September 2018.

PART I		Rs. in lakhs					
S.No.	Particulars	Quarter ended			Six months ended		Year ended
		30.09.2018 (Un-audited)	30.06.2018 (Un-audited)	30.09.2017 (Un-audited)	30.09.2018 (Un-audited)	30.09.2017 (Un-audited)	31.3.2018 (Audited)
I	Revenue from Operations	2,402.52	1,866.18	18,731.17	4,268.70	33,288.44	51,149.61
II	Other Income	38.5	23.29	13.70	61.79	42.16	121.86
	Total income (I+II)	2,441.02	1,889.47	18,744.87	4,330.49	33,330.60	51,271.47
III	Expenses						
	(a) Cost of materials consumed	3,063.47	1,110.44	6,195.96	4,173.91	10,304.62	16,637.00
	(b) Purchases of stock-in-trade	-	-	-	-	-	-
	(c) Changes in inventories of finished goods, WIP and stock-in-trade	1,386.40	313.87	32.20	1,700.27	95.25	553.22
	(d) Employee benefits expense	415.75	398.65	490.44	814.40	917.70	1,927.66
	(e) Finance Cost	1300.75	1,129.01	940.73	2,429.76	1,752.61	3,977.79
	(f) Dep. and amortisation expense	176.92	176.91	(154.32)	353.83	160.03	736.77
	(g) Other expenses	1,075.71	656.32	11,802.26	1,732.03	21,178.01	31,862.08
	Total expenses (IV)	7,419.00	3,785.20	19,307.27	11,204.20	34,408.22	55,694.52
V	Profit/(Loss) before exceptional items and tax (I-IV)	-4,977.98	-1,895.73	-562.40	-6,873.71	-1,077.62	-4,423.05
VI	Exceptional Items						
	Other Comprehensive Income	210.88	327.28	-	538.16	-	-64.67
VII	Profit / (Loss) before Tax (V-VI)	-4,767.10	-1,568.45	-562.40	(6,335.55)	-1,077.62	-4,487.72
VIII	Tax Expense						
	(1) Current Tax	-	-	-	-	-	-
	(2) Deferred Tax	-	-	7.03	-	-	3182.11
IX	Profit / (Loss) for the period from continuing operations (VII - VIII)	(4,767.10)	(1,568.45)	(569.43)	(6,335.55)	(1,077.62)	(7,669.83)
X	Profir / (Loss) from discontinued operations	-	-	-	-	-	-
XI	Tax Expense of Discontinued Operations	-	-	-	-	-	-
XII	Profit / (Loss) from Discontinued operations (after tax)	-	-	-	-	-	-
XIII	Profit / (Loss) for the period (IX +XIII)	(4,767.10)	(1,568.45)	(569.43)	(6,335.55)	(1,077.62)	(7,669.83)

Segment wise Revenue, Results and Capital Employed along with the quarterly results

Rs. in lakhs

Particulars	Standalone					
	Quarter ended			Six months ended		Year ended
	30.09.2018 (Un-audited)	30.06.2018 (Un-audited)	30.09.2017 (Un-audited)	30.09.2018 (Un-audited)	30.09.2017 (Un-audited)	31.3.2018 (Audited)
1. Segment Revenue (net sale/income from each segment should be disclosed under this head)						
(a) Segment – IMFL	2,014.03	880.72	18,731.17	2,894.75	32,782.81	49,129.95
(b) Segment – IAP	426.98	1,001.38	-	1,428.36	505.63	1,735.74
(c) Segment – Power	-	7.38	-	7.38	-	405.78
(d) Unallocated						
Total	2,441.01	1,889.48	18,731.17	4,330.49	33,288.44	51,271.47
Less: Inter Segment Revenue						
Net sales/Income From Operations	2,441.01	1,889.48	18,731.17	4,330.49	33,288.44	51,271.47
2. Segment Results (Profit)(+)/ Loss (-) before tax and interest from Each segment)						
(a) Segment – IMFL	(4,180.23)	(409.07)	637.31	(4,589.30)	1,138.44	1,854.06
(b) Segment – IAP	22.68	(312.84)	(277.75)	(290.16)	(438.82)	(2,563.98)
(c) Segment – Power	(19.68)	(44.81)	18.76	(64.49)	(24.63)	264.65
(d) Unallocated						-
Total	(4,177.23)	(766.72)	378.32	(4,943.95)	674.99	(445.27)
Less: (i) Interest	800.75	1,129.01	940.73	1,929.76	1,752.61	3,977.78
(ii) Other Un-allocable Expenditure net off (loss on sale of investments)			-			
(iii) Un-allocable income	210.88	327.28	-	538.16		(64.67)
Total Profit Before Tax	(4,767.10)	(1,568.45)	(562.41)	(6,335.55)	(1,077.62)	(4,487.72)
3 Segment Assets						
(a) Segment – IMFL	59,840.61	59,840.61	64,521.26	59,642.61	64,521.26	59,678.25
(b) Segment – IAP	6,801.60	6,801.60	7,454.58	7,001.60	7,454.58	8,295.01
(c) Segment – Power	3,504.22	3,504.22	3,449.24	3,502.22	3,449.24	3,299.47
(d) Unallocated						
Total	70,146.43	70,146.43	75,425.08	70,146.43	75,425.08	71,272.73
3 Segment Liabilities						
(a) Segment – IMFL	4,2015.29	4,2213.29	3,2167.92	4,2015.29	3,2167.92	4,0360.22
(b) Segment – IAP	5,204.69	5,004.69	6,209.07	5,204.69	6,209.17	6,448.60
(c) Segment – Power	606.80	608.80	535.47	606.80	535.54	575.80
(d) Unallocated						
Total	47,826.78	47,826.78	38,912.46	47,826.78	38,912.63	47,384.62

EMPEE DISTILLERIES LTD

CIN: L15511TN1983PLC010313

Regd. Office : Empee Tower, No.59, Harris Road, Pudupet, Chennai - 600 002.

Standalone Statement of Assets and Liabilities

Rs. in Lakhs

Particulars		As at 30.06.2018	As at 31.03.2018
A	Non-current assets		
1	(a) Property, plant and equipment	30,603.55	31,216.97
	(b) Capital work-in-progress		
	(c) Intangible assets		
	(d) Intangible assets under development		
	(e) Investments in subsidiaries , associates and joint venture	18,465.59	18,465.42
2	(f) Financial assets	328.01	328.01
3	Investments		
	Loans	3,086.10	3,172.07
	Trade receivables		
	Other Non-current financial assets		
	(g) Advance tax assets (net)		
	(h) Other assets		
	Total non-current assets	3,086.10	3,172.07
4	Current assets		
	(a) Inventories	5,387.68	5,864.58
	(b) Financial assets		
	Investments		
	Loans		
	Trade receivables	7,564.65	7,780.57
	Cash and cash equivalents	63.11	172.36
	Bank balances other than (ii) above	13,015.44	13,817.51
	Loans	4,617.03	4,680.07
	Sub-total - Current Assets	39,512.17	40,463.08
B	(c) Other assets	30.71	29.18
1	Assets classified as held for sale and discontinued operations		
	Total current assets	39,542.88	40,492.26
	Total assets	70,146.43	71,709.23
	EQUITY AND LIABILITIES		
	Equity		
2	(a) Equity share capital	2,017.58	2,017.58
	(b) Other equity	20,302.07	22,172.15
	(c) Non-Controlling Interest		
	Total equity	22,319.65	24,189.73
	Liabilities		
	Non-Current Liabilities		
	(a) Financial liabilities		
	Borrowings	8,345.95	6,890.57
	Other financial liabilities		

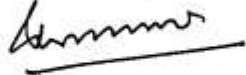
(b) Provisions	145.85	154.56
(c) Deferred tax liabilities (net)	7,727.39	7,862.27
(d) Other Non-Current liabilities	2191.69	2928.47
Total non-current liabilities	18,410.88	17,835.87
Sub-Total Non-Current Liabilities		
Current Liabilities		
(a) Financial Liabilities		
Borrowings	6333.74	6367.31
Trade payables	7693.53	6388.35
Other financial liabilities		2120.26
(b) Provisions	15388.63	14807.71
(c) Current tax liabilities (net)		
(d) Other liabilities		
Liabilities directly associated with discontinued operations		
Total current liabilities	29415.9	29683.63
Total liabilities	47,826.78	47,519.50
Total equity and liabilities	70,146.43	71,709.23

Notes:

1. The above Un-audited financial results for the quarter ended 30.09.2018 has been subjected to Limited Review and approved by the Board at its meeting held on 14.02.2019.
2. The Company operates IMFL, IAP and Power segments and segmental accounts are given in the financial results.
3. Previous period(s) figures have been regrouped wherever necessary.
4. The Company's power plant at Aranthangi could not be operated due to Restrictive Measures in force as exercised by TNEB.
5. The Company continue to incur loss for the quarter ended 30.09.2018 also due to lack of working capital.
6. Union Bank of India (UBI) , Chennai, consequent to a default made by the company in repayment of principal and interest , pertaining to a Term Loan facility of Rs.23.04 Crores sanctioned by them, filed a petition u/s 7 of Insolvency and Bankruptcy Code 2016, before National Company Law Tribunal (NCLT) Chennai. NCLT, Chennai, vide its Order dated 1.11.2018 (copy enclosed) admitted the petition filed by Union Bank of India and ordered commencement of Corporate Insolvency Resolution Process .Mr. Venkata Sivakumar, who was appointed as Interim Resolution Professional (IRP) has since been replaced by Mr. S. Rajendran as Resolution Professional (RP) in terms of a decision taken at the meeting of Committee of Creditors. Management control of the company currently vests with the Resolution Professional appointed by the CoC.

7. In view of pendency of the CIRP and in view of suspension of the powers of board of directors, the powers of adoption of the unaudited financial results for the quarter ended Sept. 30, 2018 vest with the RP. These unaudited financial results have been prepared by the management of the company and certified by Mr.M.P. Purushothaman, Chairman. The RP has, in review of the unaudited financial results and certifications, relied on the representations and statements made by Chairman in relation to these unaudited financial results. The RP has taken on record these unaudited financial results only to the limited extent of discharging the powers of the Board of Directors of the company which has been conferred upon him in terms of provisions of Section 17 of the Code. It is clarified, however, that the RP has not conducted an independent verification of these unaudited financial results and has not certified on the truthfulness, fairness, accuracy or completeness of these results, in so far as it pertains to the period prior to commencement of the CIRP and his appointment.
8. Inventories of non moving and obsolete stocks were written-off during the period amounting to Rs37 Crores.
9. The Company has filed a Writ petition before Madras High Court challenging the order passed by VAT Authorities claiming a tax demand of Rs.667.75 Crores pertaining to FY 2013-14 and 2014-15. The matter is pending for adjudication.

Place: Chennai
Date : 14.2.2019


M.P. Purushothaman
Chairman

Taken on Record

Signed without any liability whatsoever, as the review period (FY 18 to 30th sept 2018) is prior to the commencement of corporate insolvency resolution process (1st mar. 2018) and appointment of RP is with effect from 13th Dec 2018.


S. Rajendran

Resolution Professional

IBBI Reg. No. IBBI/IPA-002/IP-N00098/2017-18/10241

Empee Distilleries Ltd