

# **BATLIBOI & PUROHIT**

Chartered Accountants

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NATIONAL INSURANCE BUILDING  
204, DADABHOY NAOROJI ROAD  
FORT, MUMBAI – 400 001.

## **REVIEW REPORT TO THE BOARD OF DIRECTORS OF**

### **TILAKNAGAR INDUSTRIES LTD.**

We have reviewed the accompanying statement of unaudited financial results of **Tilaknagar Industries Ltd (“the Company”)** for the quarter ended 30 June, 2012 except for the disclosures regarding “Public Shareholding” and “Promoter and Promoter Group Shareholding” which have been traced from disclosures made by the management and have not been reviewed by us. This statement is the responsibility of the Company’s Management and has been approved by the Board of Directors/committee of Board of Directors. Our responsibility is to issue a report on these financial statements 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 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 provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 Interim Financial Reporting, [notified pursuant to the Company’s (Accounting Standards) Rules, 2006 as (amended)] and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For BATLIBOI & PUROHIT**

Chartered Accountants

Firm Reg No. 101048W



**Kaushal Mehta**

Partner

Membership No.111749

Place : Mumbai

Dated : 13 August, 2012

TILAKNAGAR INDUSTRIES LTD.  
Regd. Office : P.O. TILAKNAGAR, TAL. SHRIRAMPUR, DIST. AHMEDNAGAR, MAHARASHTRA- 413720

PART I		(Rs in lacs)			
Statement of Standalone Unaudited Financial Results for the Quarter ended June 30, 2012					
	Particulars	Quarter Ended			Year ended
		30.06.2012 Unaudited	31.03.2012 Unaudited	30.06.2011 Unaudited	31.03.2012 Audited
<b>1</b>	<b>Income from operations</b>				
	(a) Net sales / income from operations (Net of excise duty)	10,872.81	12,301.86	9,135.13	45,285.44
	(b) Other operating income (Refer Note 6)	1,148.51	366.87	12.63	441.29
	<b>Total Income from operations (net)</b>	<b>12,021.32</b>	<b>12,668.73</b>	<b>9,147.76</b>	<b>45,726.73</b>
<b>2</b>	<b>Expenses</b>				
	(a) Cost of materials consumed	4,772.46	6,335.98	3,324.06	18,518.99
	(b) Purchases of stock-in-trade	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	634.44	(1,638.06)	(1,546.67)	(3,286.77)
	(d) Employee benefits Expense	599.83	554.63	769.82	2,724.46
	(e) Depreciation and amortization expense	549.66	557.01	511.21	2,121.54
	(f) Other expenses	2,671.17	3,545.12	4,446.10	14,572.47
	<b>Total expenses</b>	<b>9,227.56</b>	<b>9,354.68</b>	<b>7,504.52</b>	<b>34,650.69</b>
<b>3</b>	<b>Profit from operations before other income, finance costs and exceptional items (1-2)</b>	<b>2,793.76</b>	<b>3,314.05</b>	<b>1,643.24</b>	<b>11,076.04</b>
<b>4</b>	<b>Other income</b>	<b>75.95</b>	<b>55.44</b>	<b>20.06</b>	<b>145.95</b>
<b>5</b>	<b>Profit from ordinary activities before finance costs and exceptional items (3 + 4)</b>	<b>2,869.71</b>	<b>3,369.49</b>	<b>1,663.30</b>	<b>11,221.99</b>
<b>6</b>	<b>Finance costs</b>	<b>1,303.74</b>	<b>1,213.20</b>	<b>1,225.47</b>	<b>5,415.64</b>
<b>7</b>	<b>Profit from ordinary activities after finance costs but before exceptional items (5 - 6)</b>	<b>1,565.97</b>	<b>2,156.29</b>	<b>437.83</b>	<b>5,806.35</b>
<b>8</b>	<b>Exceptional items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>9</b>	<b>Profit from ordinary activities before tax (7 - 8)</b>	<b>1,565.97</b>	<b>2,156.29</b>	<b>437.83</b>	<b>5,806.35</b>
<b>10</b>	<b>Tax expense</b>	<b>508.16</b>	<b>725.98</b>	<b>144.00</b>	<b>1,930.98</b>
<b>11</b>	<b>Net Profit from ordinary activities after tax (9 - 10)</b>	<b>1,057.81</b>	<b>1,430.31</b>	<b>293.83</b>	<b>3,875.37</b>
<b>12</b>	<b>Extraordinary items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>13</b>	<b>Net Profit for the period (11-12)</b>	<b>1,057.81</b>	<b>1,430.31</b>	<b>293.83</b>	<b>3,875.37</b>
<b>14</b>	(a) Paid-up equity share capital(Face value of the share Rs.10/- each)	12,020.19	12,000.18	11,529.35	12,000.18
	(b) Convertible Warrant	-	-	781.87	-
<b>15</b>	<b>Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,378.43</b>
<b>16(i)</b>	<b>Earnings per share of Rs. 10 /- each (EPS) - in Rs. (before extra-ordinary items) (not annualised)</b>				
	(a) Basic	0.88	1.23	0.25	3.35
	(b) Diluted	0.86	1.20	0.25	3.30
<b>16(ii)</b>	<b>Earnings per share of Rs. 10/- each (EPS) - in Rs. (after extra-ordinary items) (not annualised)</b>				
	(a) Basic	0.88	1.23	0.25	3.35
	(b) Diluted	0.86	1.20	0.25	3.30



PART II					
Select Information for the Quarter ended June 30, 2012					
<b>A</b>	<b>PARTICULARS OF SHAREHOLDING</b>				
1	Public Shareholding				
	- Number of shares	52,123,841	52,342,197	52,854,255	52,342,197
	- Percentage of shareholding	43.36%	43.62%	45.84%	43.62%
2	Promoters and Promoter Group Shareholding				
	(a) Pledged/ Encumbered				
	- Number of shares	34,112,080	23,091,944	-	23,091,944
	- Percentage of shares ( as a % of the total shareholding of the promoter and promoter group)	50.11%	34.13%	-	34.13%
	- Percentage of shares ( as a % of the total share capital of the Company)	28.38%	19.24%	-	19.24%
	(b) Non encumbered				
	- Number of shares	33,965,995	44,567,631	62,439,239	44,567,631
	- Percentage of shares ( as a % of the total shareholding of the promoter and promoter group)	49.89%	65.87%	100.00%	65.87%
	- Percentage of shares ( as a % of the total share capital of the Company)	28.26%	37.14%	54.16%	37.14%

	Particulars	Quarter ended 30.06.2012
<b>B</b>	<b>INVESTOR COMPLAINTS</b>	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	6
	Disposed of during the quarter	6
	Remaining unresolved at the end of the quarter	Nil



**Notes :**

- 1 The above Unaudited Standalone Financial Results reviewed by the Audit Committee have been approved and taken on record by the Board of Directors at its meeting held on August 13, 2012.
- 2 The Company is predominantly engaged in the business of manufacture and sale of Indian Made Foreign Liquor (IMFL) and its related products, which constitute a single business segment and therefore, disclosure under Accounting Standard (AS-17) on "Segment Reporting" issued by the ICAI is not applicable.
- 3 The Company has franchisee arrangements in some states and in respect of such arrangements the turnover of Rs. 7,125.84 lacs ( Rs. 18,755.13 lacs ) during the quarter ended June 30, 2012 has not been treated as 'Sales'. However, the surplus generated out of these arrangements is included in the 'Sales/Income from Operations'.
- 4 The statutory auditors have carried out a "Limited Review" of the standalone unaudited financial results of the Company for the quarter ended June 30, 2012.

5 **Statement of Outstanding Stock Options :**

Particulars		ESOP Scheme 2008	ESOP Scheme 2010	ESOP Scheme 2012
1	Outstanding Stock Options as on April 01, 2012	3,623,263	4,690,336	0
2	Stock Options Granted during the quarter	0	0	3,000,000
3	Stock Options Exercised during the quarter	198,884	1,260	0
4	Stock Options Cancelled/Lapsed during the quarter	227,730	232,447	0
5	Outstanding Stock Options as on June 30, 2012	3,196,649	4,456,629	3,000,000

- 6 Other Operating income includes Rs 1,098.39 lacs on account of entitlement of MVAT and CST refund for the year 2011-2012 pursuant to the grant of Mega Project Status under Package Scheme of Incentives 2007 by the Government of Maharashtra vide its eligibility certificate dated April 11, 2012.
- 7 During the quarter, the Company has allotted 200,144 equity shares to option grantees against exercise of vested stock options.
- 8 Employee benefits expense includes the provisions for Employee Retirement Benefits on pro-rata basis.
- 9 The previous period figures have been regrouped and reclassified wherever necessary.

Place: Mumbai  
Date: August 13, 2012



By Order of the Board  
For Tilaknagar Industries Ltd.  
*Amit Dahanukar*  
Amit Dahanukar  
Chairman & Managing Director