



.TI.
TILAKNAGAR INDUSTRIES LTD.

Ref: TI/NSE/COMP/11-12/35

August 03, 2011

The Manager (Listing),
National Stock Exchange of India Ltd.
Exchange Plaza,
Plot no. C/1, G Block,
Bandra -Kurla Complex, Bandra (E).
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Sub: Press release
Ref: Scrip Code No. TI

Dear Sir/Madam,

Please find attached herewith a press release to be issued with respect to Mega Project status accorded to the Company's Manufacturing facility.

Kindly take the same on records.

For Tilaknagar Industries Ltd.


Gaurav Thakur
Company Secretary
Encl: a/a





TILAKNAGAR INDUSTRIES LTD.

P.O. Tilaknagar, Tal. Shrirampur, Ahmednagar, Maharashtra – 413 720

News Announcement

Tilaknagar Industries' manufacturing capacities at Shrirampur accorded

'Mega Project' Status

Mumbai, 03 August 2011: Tilaknagar Industries Ltd. (TI), a leading and well established player in the Indian Made Foreign Liquor (IMFL) industry is pleased to report that it has been accorded with the status of "Mega Project" for its new facilities, which includes the 50 KLPD molasses based distillation plant and 100 KLPD grain based distillation plant along with captive power plant, under Package Scheme of Incentives (PSI) 2007.

With this status of "Mega Projects", the Company will be entitled to receive incentives including, subsidy to the extent of 100% of eligible investment with a period of seven year by way of set off /credit for Tax liability under Maharashtra Value Added Tax Act 2002 and Central Sales Tax Act 1956, electricity duty exemption for 7 years and 100% exemption from payment of stamp duty.

Commenting on this development, Mr. Amit Dahanukar, Chairman & Managing Director, Tilaknagar Industries Ltd, said: *"We are truly pleased with this recent development, whereby our manufacturing facilities have been conferred with the status of "Mega Project" by the Government of Maharashtra. This will enable us to gain benefits primarily on account of the tax credit under VAT and CST for the next 7 years, for our sales in Maharashtra. Consequently we will witness a positive impact directly on our earnings from the next fiscal onwards until we exhaust the subsidy available to us.*

We remain committed to expand our position in the IMFL space, with our focus on expanding our product portfolio and geographic presence. On being awarded this privilege, which is on account of the investments we have made in our capacities, we are excited and encouraged to fortify and increase our presence in Maharashtra in line with our strategy to incrementally build a strong position across key regions and new segments."

The Company was admissible to this title on account of the investments of ~ Rs. 266 crore in its manufacturing facilities at Maharashtra. Post this eligibility, the Company stands to receive monetary benefits which include IPS (Industrial Promotion Subsidy) equivalent to 100% of eligible investments made within the duration of 5 years from April 01, 2008. TI expects to witness visible benefits of such subsidies, which will accrue in FY2013.

The Company's manufacturing facility in Shrirampur, Maharashtra includes an installed capacity of 200 KLPD including a 100 KLPD molasses based distillation plant and 100 KLPD grain based distillery. This multi-feed grain based facility enables TI to manufacture more premium quality of brands along with better adaptability to safeguard itself against the variations in prices of molasses. TI, with such capacities in its system, is well poised to fortify its fundamentally strong business model. The Company's growth trajectory remains strong and anticipates healthy expansion in volumes on the back of focus on premiumisation, new launches/brand variations and presence in new regions across the country and in international markets.

About Tilaknagar Industries Ltd (TI)

Tilaknagar Industries Ltd (BSE: 507205 / NSE: TI) is one of the renowned Indian Made Foreign Liquor players (including whisky, brandy, gin, rum and vodka) with presence across India. The Company manufactures, markets and sells more than 40 brands across all price points. TI's subsidiaries are Prag Distillery (P) Ltd, Vahni Distilleries (P) Ltd and Kesarval Springs Distillers (P) Ltd. The Company exports its products to Western Africa, the Middle East, the Far East and Caribbean countries.

For further information, please visit www.tilind.com:

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