



Ref: TI/NSE/COMP/14-15/52

November 14, 2014

To,  
The Manager (Listing),  
National Stock Exchange of India Ltd.  
Exchange Plaza, Plot no. C/1, G Block,  
Bandra -Kurla Complex, Bandra (E).  
Mumbai 400 051.  
Ph No.: 26598235/36  
Fax No.: 26598120/237/238

**Sub: Results pursuant to Clause 41 of the Listing Agreement**  
**Ref: Scrip Code - TI**

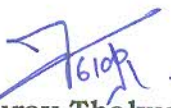
Dear Sir/Madam,

We wish to inform you that in its Meeting held on November 14, 2014, the Board of Directors of the Company has approved and took on record the consolidated and standalone unaudited financial results of the Company for the quarter and half year ended September 30, 2014. Copies of the same alongwith the Limited Review Reports submitted by M/s. Batliboi & Purohit, Statutory Auditors of the Company are enclosed herewith pursuant to the provisions of Clause 41 of the Listing Agreement.

Kindly acknowledge the receipt and take the same on your record.

Thanking you.

Yours faithfully,  
**For Tilaknagar Industries Ltd.**

  
**Gaurav Thakur**  
**Company Secretary**



Encl: a/a

Corporate Office : Industrial Assurance Building, 3rd Floor, Churchgate, Mumbai - 400 020.

Tel.: +91 22 22831716/18 Fax : +91 22 22046904 E-mail : [tiliquor@tilind.com](mailto:tiliquor@tilind.com)

Regd. Office & Works : P. O. Tilaknagar, Tal. Shrirampur, Dist. Ahmednagar, Maharashtra - 413 720.

Tel.: (02422) 265 123 / 265 032 Fax : (02422) 265 135 E-mail : [regoff@tilind.com](mailto:regoff@tilind.com) Website : [www.tilind.com](http://www.tilind.com)

CIN : L15420PN1933PLC133303

# **BATLIBOI & PUROHIT**

Chartered Accountants

Telephone : 22077942

22014930

E: auditteam@bnpindia.in

NATIONAL INSURANCE BUILDING

204, DADABHOY NAOROJI ROAD

FORT, MUMBAI – 400 001.

## **REVIEW REPORT TO THE BOARD OF DIRECTORS OF** **Tilaknagar Industries Ltd**

1. We have reviewed the accompanying statement of consolidated unaudited financial results ('the Statement') of Tilaknagar Industries Ltd (the Company) and its subsidiaries (the Company and its subsidiaries constitute "the Group") for the quarter ended 30 September, 2014 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.

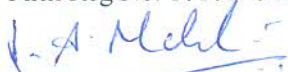
We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 'Review of Interim Financial Information performed by the independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to 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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

2. In respect of unaudited consolidated financial results, we did not review the statement of unaudited quarterly financial results of eight subsidiaries, which reflect total gross revenue of Rs 14,571 lacs and total assets of Rs 25,023 lacs as on 30 September, 2014. The group's share of profit/loss in one associate has not been considered in the unaudited consolidated financial results since it is not material for the quarter ended 30 September, 2014. The financial information/results for these subsidiaries have been reviewed by the other auditors whose reports have been furnished to us by the management, and our review report on the statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.
3. Based on our review conducted as above and on consideration of other financial information, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards specified under the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other recognised accounting practices and principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement with the Stock Exchanges 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. 1010148W



**Kaushal Mehta**

Partner

Membership No. 111749

Place : Mumbai

Date : 14 November, 2014

**TILAKNAGAR INDUSTRIES LTD.**

CIN: L15420PN1933PLC133303

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

Email: investor@tilind.com; Website: www.tilind.com

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| PART I                                                                                                     |                                                                                                     |                         |                         |                         |                         |                         | (Rs in lacs)            |
|------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Statement of Consolidated Unaudited Financial Results for the Quarter & Half Year ended September 30, 2014 |                                                                                                     |                         |                         |                         |                         |                         |                         |
|                                                                                                            | Particulars                                                                                         | Quarter ended           |                         |                         | Half Year ended         |                         | Previous Year ended     |
|                                                                                                            |                                                                                                     | 30.09.2014<br>Unaudited | 30.06.2014<br>Unaudited | 30.09.2013<br>Unaudited | 30.09.2014<br>Unaudited | 30.09.2013<br>Unaudited | 31.03.2014<br>(Audited) |
| 1                                                                                                          | <b>Income from operations</b>                                                                       |                         |                         |                         |                         |                         |                         |
|                                                                                                            | (a) Net sales / income from operations (Net of excise duty)                                         | 16,072.61               | 16,377.45               | 19,850.41               | 32,450.06               | 36,553.19               | 80,686.46               |
|                                                                                                            | (b) Other operating income (Refer Note 9)                                                           | 2,059.63                | 5,019.41                | 130.96                  | 7,079.04                | 1,441.95                | 1,730.24                |
|                                                                                                            | <b>Total Income from operations (net)</b>                                                           | <b>18,132.24</b>        | <b>21,396.86</b>        | <b>19,981.37</b>        | <b>39,529.10</b>        | <b>37,995.14</b>        | <b>82,416.70</b>        |
| 2                                                                                                          | <b>Expenses</b>                                                                                     |                         |                         |                         |                         |                         |                         |
|                                                                                                            | (a) Cost of materials consumed                                                                      | 8,631.66                | 8,940.81                | 9,228.74                | 17,572.47               | 17,293.15               | 38,919.80               |
|                                                                                                            | (b) Purchases of stock-in-trade                                                                     | -                       | -                       | -                       | -                       | -                       | -                       |
|                                                                                                            | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade                   | (304.26)                | (251.85)                | (439.79)                | (556.11)                | (478.18)                | 147.19                  |
|                                                                                                            | (d) Employee benefits Expense                                                                       | 831.22                  | 775.60                  | 835.10                  | 1,606.82                | 1,718.99                | 3,444.98                |
|                                                                                                            | (e) Depreciation and amortization expense (Refer Note 10)                                           | 852.13                  | 851.44                  | 592.03                  | 1,703.57                | 1,196.27                | 2,548.39                |
|                                                                                                            | (f) Other expenses                                                                                  | 5,947.41                | 5,169.64                | 5,956.76                | 11,117.05               | 11,050.58               | 22,919.61               |
|                                                                                                            | <b>Total expenses</b>                                                                               | <b>15,958.16</b>        | <b>15,485.64</b>        | <b>16,172.84</b>        | <b>31,443.80</b>        | <b>30,780.81</b>        | <b>67,979.97</b>        |
| 3                                                                                                          | <b>Profit from operations before other income, finance costs and exceptional items (1-2)</b>        | <b>2,174.08</b>         | <b>5,911.22</b>         | <b>3,808.53</b>         | <b>8,085.30</b>         | <b>7,214.33</b>         | <b>14,436.73</b>        |
| 4                                                                                                          | Other income                                                                                        | 51.26                   | 56.29                   | 56.24                   | 107.55                  | 140.02                  | 429.54                  |
| 5                                                                                                          | <b>Profit from ordinary activities before finance costs and exceptional items (3 + 4)</b>           | <b>2,225.34</b>         | <b>5,967.51</b>         | <b>3,864.77</b>         | <b>8,192.85</b>         | <b>7,354.35</b>         | <b>14,866.27</b>        |
| 6                                                                                                          | Finance costs                                                                                       | 2,142.27                | 2,033.70                | 1,477.69                | 4,175.97                | 2,920.56                | 6,412.41                |
| 7                                                                                                          | <b>Profit from ordinary activities after finance costs but before exceptional items (5 - 6)</b>     | <b>83.07</b>            | <b>3,933.81</b>         | <b>2,387.08</b>         | <b>4,016.88</b>         | <b>4,433.79</b>         | <b>8,453.86</b>         |
| 8                                                                                                          | Exceptional items                                                                                   | -                       | -                       | -                       | -                       | -                       | -                       |
| 9                                                                                                          | <b>Profit from ordinary activities before tax (7 - 8)</b>                                           | <b>83.07</b>            | <b>3,933.81</b>         | <b>2,387.08</b>         | <b>4,016.88</b>         | <b>4,433.79</b>         | <b>8,453.86</b>         |
| 10                                                                                                         | Tax expense                                                                                         | 26.94                   | 845.23                  | 782.71                  | 872.17                  | 1,102.00                | 2,628.63                |
| 11                                                                                                         | <b>Net Profit from ordinary activities after tax (9 - 10)</b>                                       | <b>56.13</b>            | <b>3,088.58</b>         | <b>1,604.37</b>         | <b>3,144.71</b>         | <b>3,331.79</b>         | <b>5,825.23</b>         |
| 12                                                                                                         | Extraordinary items                                                                                 | -                       | -                       | -                       | -                       | -                       | -                       |
| 13                                                                                                         | <b>Net Profit for the period before share of profit of associates and minority interest (11-12)</b> | <b>56.13</b>            | <b>3,088.58</b>         | <b>1,604.37</b>         | <b>3,144.71</b>         | <b>3,331.79</b>         | <b>5,825.23</b>         |
| 14                                                                                                         | Share of Profit of associates                                                                       | -                       | -                       | -                       | -                       | -                       | -                       |
| 15                                                                                                         | Minority interest                                                                                   | -                       | -                       | -                       | -                       | -                       | (0.42)                  |
| 16                                                                                                         | <b>Net Profit after taxes, minority interest and share of profit of associates (13+14-15)</b>       | <b>56.13</b>            | <b>3,088.58</b>         | <b>1,604.37</b>         | <b>3,144.71</b>         | <b>3,331.79</b>         | <b>5,825.65</b>         |
| 17                                                                                                         | Paid-up equity share capital (Face value of the share Rs.10/- each)                                 | 12,455.73               | 12,427.28               | 12,272.23               | 12,455.73               | 12,272.23               | 12,376.96               |
| 18                                                                                                         | Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year            |                         |                         |                         |                         |                         | 39,486.39               |



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|        |                                                                                                   |      |      |      |      |      |      |
|--------|---------------------------------------------------------------------------------------------------|------|------|------|------|------|------|
| 19(i)  | Earnings per share of Rs. 10/- each (EPS) - in Rs. (before extra-ordinary items) (not annualised) |      |      |      |      |      |      |
|        | (a) Basic                                                                                         | 0.05 | 2.49 | 1.30 | 2.53 | 2.72 | 4.75 |
|        | (b) Diluted                                                                                       | 0.04 | 2.45 | 1.29 | 2.50 | 2.66 | 4.66 |
| 19(ii) | Earnings per share of Rs. 10/- each (EPS) - in Rs. (after extra-ordinary items) (not annualised)  |      |      |      |      |      |      |
|        | (a) Basic                                                                                         | 0.05 | 2.49 | 1.30 | 2.53 | 2.72 | 4.75 |
|        | (b) Diluted                                                                                       | 0.04 | 2.45 | 1.29 | 2.50 | 2.66 | 4.66 |

**PART II****Select Information for the Quarter & Half Year ended September 30, 2014**

|          |                                                                                               |            |            |            |            |            |            |
|----------|-----------------------------------------------------------------------------------------------|------------|------------|------------|------------|------------|------------|
| <b>A</b> | <b>PARTICULARS OF SHAREHOLDING</b>                                                            |            |            |            |            |            |            |
| 1        | Public Shareholding                                                                           |            |            |            |            |            |            |
|          | - Number of shares                                                                            | 55,985,589 | 55,701,170 | 54,150,666 | 55,985,589 | 54,150,666 | 55,197,975 |
|          | - Percentage of Shareholding                                                                  | 44.95%     | 44.82%     | 44.12%     | 44.95%     | 44.12%     | 44.60%     |
| 2        | Promoters and Promoter Group Shareholding                                                     |            |            |            |            |            |            |
|          | (a) Pledged/ Encumbered                                                                       |            |            |            |            |            |            |
|          | - Number of Shares                                                                            | 46,322,500 | 43,723,794 | 31,813,923 | 46,322,500 | 31,813,923 | 37,594,223 |
|          | - Percentage of shares ( as a % of the total shareholding of the promoter and promoter group) | 67.55%     | 63.76%     | 46.40%     | 67.55%     | 46.40%     | 54.82%     |
|          | - Percentage of shares ( as a % of the total share capital of the Company)                    | 37.19%     | 35.18%     | 25.92%     | 37.19%     | 25.92%     | 30.37%     |
|          | (b) Non encumbered                                                                            |            |            |            |            |            |            |
|          | - Number of Shares                                                                            | 22,249,168 | 24,847,874 | 36,757,745 | 22,249,168 | 36,757,745 | 30,977,445 |
|          | - Percentage of shares ( as a % of the total shareholding of the promoter and promoter group) | 32.45%     | 36.24%     | 53.60%     | 32.45%     | 53.60%     | 45.18%     |
|          | - Percentage of shares ( as a % of the total share capital of the Company)                    | 17.86%     | 20.00%     | 29.96%     | 17.86%     | 29.96%     | 25.03%     |

|          | Particulars                                    | Quarter ended September 30, 2014 |
|----------|------------------------------------------------|----------------------------------|
| <b>B</b> | <b>INVESTOR COMPLAINTS</b>                     |                                  |
|          | Pending at the beginning of the quarter        | Nil                              |
|          | Received during the quarter                    | 2                                |
|          | Disposed of during the quarter                 | 2                                |
|          | Remaining unresolved at the end of the quarter | Nil                              |



**Notes :**

- 1 The above Consolidated Unaudited Financial Results reviewed by the Audit Committee have been approved and taken on record by the Board of Directors at its meeting held on November 14, 2014.
- 2 The Company in compliance with the provisions of Clause 41 of the Listing Agreement, has opted to publish the consolidated financial results. The standalone financial results will, however, be made available to the Stock Exchanges where the Company's shares are listed and will also be posted on the Company's website i.e. www.tilind.com.
- 3 The consolidated financial results are prepared in accordance with the principles and procedures set out in Accounting Standard (AS-21) on "Consolidated Financial Statements" issued by the ICAI.
- 4 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.

**5 Standalone Information**

(Rs. in lacs)

|   | Particulars                       | Quarter ended           |                         |                         | Half Year ended         |                         | Previous Year ended   |
|---|-----------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-----------------------|
|   |                                   | 30.09.2014<br>Unaudited | 30.06.2014<br>Unaudited | 30.09.2013<br>Unaudited | 30.09.2014<br>Unaudited | 30.09.2013<br>Unaudited | 31.03.2014<br>Audited |
| 1 | Net sales/ income from operations | 10,692.91               | 11,049.14               | 14,646.28               | 21,742.05               | 27,681.55               | 60,199.57             |
| 2 | Profit before tax                 | 54.81                   | 3,774.59                | 2,039.73                | 3,829.40                | 3,893.20                | 6,917.72              |
| 3 | Profit after tax                  | 36.80                   | 2,983.42                | 1,377.94                | 3,020.22                | 2,971.35                | 4,859.55              |

- 6 The Company has franchisee arrangements in some states and in respect of such arrangements the turnover of Rs.4,157.55 lacs (Rs.14,689.93 lacs) during the quarter ended September 30, 2014 and Rs. 11,780.73 lacs (Rs. 30,322.91 lacs) during the half year ended September 30, 2014 has not been treated as 'Sales'. However, the surplus generated out of these arrangements is included in the 'Sales/Income from Operations'.
- 7 The statutory auditors have carried out a "Limited Review" of the consolidated unaudited financial results of the Company for the quarter and half year ended September 30, 2014.

**8 Statement of Outstanding Stock Options :**

|   | Particulars                                        | ESOP Scheme 2008 | ESOP Scheme 2010 | ESOP Scheme 2012 |
|---|----------------------------------------------------|------------------|------------------|------------------|
| 1 | Outstanding Stock Options as on July 01, 2014      | 988,893          | 2,150,180        | 5,509,035        |
| 2 | Stock Options Granted during the quarter           | -                | -                | -                |
| 3 | Stock Options Exercised during the quarter         | 59,750           | 105,777          | 118,892          |
| 4 | Stock Options Cancelled/Lapsed during the quarter  | 71,880           | 61,157           | 73,896           |
| 5 | Outstanding Stock Options as on September 30, 2014 | 857,263          | 1,983,246        | 5,316,247        |

- 9 The Company has accrued the income entitlement of MVAT and CST refund for the quarter ended September 2014 and henceforth will account on quarterly basis to ensure comparison and consistency, instead of accruing the same on yearly basis as done in the past and hence the profit for the quarter ended September 30, 2014 and half year ended September 30, 2014 is higher to that extent. Operating income for the quarter ended September 30, 2014, June 30, 2014 and half year ended September 30, 2014 includes Rs 1,915.50 lacs, Rs 4,905.31 lacs and Rs 6,820.81 lacs respectively on account of entitlement of MVAT and CST refund as compared to Rs 1,237.55 lacs included in the half year ended September 30, 2013 and year ended March 31, 2014.
- 10 As per the requirement of Schedule II of the Companies Act, 2013 effective from April 01, 2014, the Company has charged depreciation based on the useful lives. Consequently, depreciation charge for the quarter and half year ended September 30, 2014 is higher by Rs. 126.16 lacs and Rs. 252.19 lacs respectively due to change in the useful life of certain assets. Further, an amount of Rs. 497.21 lacs has been adjusted against the opening balance of Retained Earnings (net of Deferred Tax Credit of Rs. 220.95 lacs) as on April 01, 2014, in respect of the residual value of assets wherein the remaining useful life has become 'NIL'.
- 11 During the quarter, the Company has allotted 284,419 equity shares to option grantees against exercise of vested stock options.
- 12 Employee benefits expense includes the provisions for Employee Retirement Benefits on pro-rata basis.
- 13 The figures for the quarter and half year ended September 30, 2014 are not comparable with those of the corresponding period of the previous year due to sale of entire stake held by the Company in its wholly owned subsidiary i.e. P.P. Caps Private Limited on January 16, 2014.
- 14 The previous period figures have been regrouped and reclassified wherever necessary.



## 15 Consolidated Statement of Assets and Liabilities

(Rs. in Lacs)

| Particulars |                                                  | As at Half        | As at Previous    |
|-------------|--------------------------------------------------|-------------------|-------------------|
|             |                                                  | Year ended        | Year ended        |
|             |                                                  | 30.09.2014        | 31.03.2014        |
|             |                                                  | (Unaudited)       | (Audited)         |
| <b>A</b>    | <b>EQUITY AND LIABILITIES</b>                    |                   |                   |
| <b>1</b>    | <b>Shareholders' funds</b>                       |                   |                   |
|             | a) Share capital                                 | 12,455.73         | 12,376.96         |
|             | b) Reserves & Surplus                            | 48,851.94         | 45,910.24         |
|             | c) Money received against share warrants         |                   |                   |
|             | <b>Sub-total - Shareholders' funds</b>           | <b>61,307.67</b>  | <b>58,287.20</b>  |
| <b>2</b>    | <b>Share application money pending allotment</b> |                   |                   |
| <b>3</b>    | <b>Minority interest</b>                         |                   | 0.38              |
| <b>4</b>    | <b>Non-current liabilities</b>                   |                   |                   |
|             | a) Long term borrowings                          | 18,292.94         | 22,562.30         |
|             | b) Deferred tax liabilities (net)                | 3,660.33          | 3,842.31          |
|             | c) Other long term liabilities                   | 9,375.46          | 6,783.46          |
|             | d) Long term provisions                          | 146.77            | 143.19            |
|             | <b>Sub-total- Non-Current liabilities</b>        | <b>31,475.50</b>  | <b>33,331.26</b>  |
| <b>5</b>    | <b>Current liabilities</b>                       |                   |                   |
|             | a) Short term borrowings                         | 57,225.58         | 51,760.98         |
|             | b) Trade payables                                | 10,186.58         | 7,329.13          |
|             | c) Other current liabilities                     | 10,692.89         | 12,081.97         |
|             | d) Short-term provisions                         | 3,440.87          | 3,670.54          |
|             | <b>Sub-total-Current liabilities</b>             | <b>81,545.92</b>  | <b>74,842.62</b>  |
|             | <b>TOTAL - EQUITY AND LIABILITIES</b>            | <b>174,329.09</b> | <b>166,461.46</b> |
| <b>B</b>    | <b>ASSETS</b>                                    |                   |                   |
| <b>1</b>    | <b>Non-current assets</b>                        |                   |                   |
|             | a) Fixed Assets                                  | 67,599.09         | 66,919.53         |
|             | b) Goodwill on consolidation                     | 2,542.78          | 2,542.78          |
|             | c) Non-Current investment                        | 172.77            | 172.77            |
|             | d) Deferred Tax assets (net)                     | -                 | -                 |
|             | e) Long-term loans and advances                  | 12,195.81         | 11,556.25         |
|             | f) Other non-current assets                      | 9.62              | 27.52             |
|             | <b>Sub-total- Non-current assets</b>             | <b>82,520.07</b>  | <b>81,218.85</b>  |
| <b>2</b>    | <b>Current assets</b>                            |                   |                   |
|             | a) Current Investments                           | -                 | -                 |
|             | b) Inventories                                   | 14,226.21         | 13,255.86         |
|             | c) Trade receivables                             | 19,253.06         | 22,242.55         |
|             | d) Cash and cash equivalents                     | 2,317.46          | 1,872.49          |
|             | e) Short term loans and advances                 | 56,005.91         | 47,863.14         |
|             | f) Other current assets                          | 6.38              | 8.57              |
|             | <b>Sub-total- Current Assets</b>                 | <b>91,809.02</b>  | <b>85,242.61</b>  |
|             | <b>TOTAL - ASSETS</b>                            | <b>174,329.09</b> | <b>166,461.46</b> |



By Order of the Board  
For TILAKNAGAR INDUSTRIES LTD.

*Amit Dahanukar*  
AMIT DAHANUKAR  
CHAIRMAN & MANAGING DIRECTOR

Place: Mumbai  
Date : November 14, 2014

# **BATLIBOI & PUROHIT**

Chartered Accountants

Telephone : 22077942

22014930

E: auditteam@bnpindia.in

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

## **REVIEW REPORT TO THE BOARD OF DIRECTORS OF TILAKNAGAR INDUSTRIES LTD.**

1. We have reviewed the accompanying statement of unaudited financial results of **Tilaknagar Industries Ltd (“the Company”)** for the quarter ended 30 September, 2014 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.
2. 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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. 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 Accounting Standards specified under Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014) and other recognised accounting practices and principles generally accepted in India 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. 1010148W



**Kaushal Mehta**

Partner

Membership No. 111749

Place : Mumbai

Date : 14 November, 2014

## TILAKNAGAR INDUSTRIES LTD.

CIN: L15420PN1933PLC133303

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| PART I                                                                                                   |                                                                                                 |                         |                         |                         |                         |                         | (Rs in lacs)            |
|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Statement of Standalone Unaudited Financial Results for the Quarter & Half Year ended September 30, 2014 |                                                                                                 |                         |                         |                         |                         |                         |                         |
|                                                                                                          | Particulars                                                                                     | Quarter ended           |                         |                         | Half Year ended         |                         | Previous Year ended     |
|                                                                                                          |                                                                                                 | 30.09.2014<br>Unaudited | 30.06.2014<br>Unaudited | 30.09.2013<br>Unaudited | 30.09.2014<br>Unaudited | 30.09.2013<br>Unaudited | 31.03.2014<br>(Audited) |
| 1                                                                                                        | <b>Income from operations</b>                                                                   |                         |                         |                         |                         |                         |                         |
|                                                                                                          | (a) Net sales / income from operations (Net of excise duty)                                     | 10,692.91               | 11,049.14               | 14,646.28               | 21,742.05               | 27,681.55               | 60,199.57               |
|                                                                                                          | (b) Other operating income (Refer Note 6)                                                       | 1,962.87                | 4,928.33                | 43.95                   | 6,891.20                | 1,301.80                | 1,401.52                |
|                                                                                                          | <b>Total Income from operations (net)</b>                                                       | <b>12,655.78</b>        | <b>15,977.47</b>        | <b>14,690.23</b>        | <b>28,633.25</b>        | <b>28,983.35</b>        | <b>61,601.09</b>        |
| 2                                                                                                        | <b>Expenses</b>                                                                                 |                         |                         |                         |                         |                         |                         |
|                                                                                                          | (a) Cost of materials consumed                                                                  | 5,900.04                | 5,833.68                | 6,533.44                | 11,733.72               | 12,949.20               | 27,857.72               |
|                                                                                                          | (b) Purchases of stock-in-trade                                                                 | -                       | -                       | -                       | -                       | -                       | -                       |
|                                                                                                          | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade               | (415.86)                | (214.56)                | (5.62)                  | (630.42)                | (249.47)                | 112.75                  |
|                                                                                                          | (d) Employee benefits expense                                                                   | 764.14                  | 725.09                  | 804.60                  | 1,489.23                | 1,631.72                | 3,220.56                |
|                                                                                                          | (e) Depreciation and amortization expense (Refer Note 7)                                        | 804.82                  | 804.12                  | 548.02                  | 1,608.94                | 1,108.47                | 2,342.16                |
|                                                                                                          | (f) Other expenses                                                                              | 3,886.14                | 3,467.73                | 3,576.61                | 7,353.87                | 7,192.02                | 16,234.15               |
|                                                                                                          | <b>Total expenses</b>                                                                           | <b>10,939.28</b>        | <b>10,616.06</b>        | <b>11,457.05</b>        | <b>21,555.34</b>        | <b>22,631.94</b>        | <b>49,767.34</b>        |
| 3                                                                                                        | <b>Profit from operations before other income, finance costs and exceptional items (1-2)</b>    | <b>1,716.50</b>         | <b>5,361.41</b>         | <b>3,233.18</b>         | <b>7,077.91</b>         | <b>6,351.41</b>         | <b>11,833.75</b>        |
| 4                                                                                                        | Other income                                                                                    | 36.90                   | 47.42                   | 47.57                   | 84.32                   | 123.93                  | 388.57                  |
| 5                                                                                                        | <b>Profit from ordinary activities before finance costs and exceptional items (3 + 4)</b>       | <b>1,753.40</b>         | <b>5,408.83</b>         | <b>3,280.75</b>         | <b>7,162.23</b>         | <b>6,475.34</b>         | <b>12,222.32</b>        |
| 6                                                                                                        | Finance costs                                                                                   | 1,698.59                | 1,634.24                | 1,241.02                | 3,332.83                | 2,582.14                | 5,304.60                |
| 7                                                                                                        | <b>Profit from ordinary activities after finance costs but before exceptional items (5 - 6)</b> | <b>54.81</b>            | <b>3,774.59</b>         | <b>2,039.73</b>         | <b>3,829.40</b>         | <b>3,893.20</b>         | <b>6,917.72</b>         |
| 8                                                                                                        | Exceptional items                                                                               | -                       | -                       | -                       | -                       | -                       | -                       |
| 9                                                                                                        | <b>Profit from ordinary activities before tax (7 - 8)</b>                                       | <b>54.81</b>            | <b>3,774.59</b>         | <b>2,039.73</b>         | <b>3,829.40</b>         | <b>3,893.20</b>         | <b>6,917.72</b>         |
| 10                                                                                                       | Tax expense                                                                                     | 18.01                   | 791.17                  | 661.79                  | 809.18                  | 921.85                  | 2,058.17                |
| 11                                                                                                       | <b>Net Profit from ordinary activities after tax (9 - 10)</b>                                   | <b>36.80</b>            | <b>2,983.42</b>         | <b>1,377.94</b>         | <b>3,020.22</b>         | <b>2,971.35</b>         | <b>4,859.55</b>         |
| 12                                                                                                       | Extraordinary items                                                                             | -                       | -                       | -                       | -                       | -                       | -                       |
| 13                                                                                                       | <b>Net Profit for the period (11-12)</b>                                                        | <b>36.80</b>            | <b>2,983.42</b>         | <b>1,377.94</b>         | <b>3,020.22</b>         | <b>2,971.35</b>         | <b>4,859.55</b>         |
| 14                                                                                                       | Paid-up equity share capital (Face value of the share Rs.10/- each)                             | 12,455.73               | 12,427.28               | 12,272.23               | 12,455.73               | 12,272.23               | 12,376.96               |
| 15                                                                                                       | Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year        |                         |                         |                         |                         |                         | 35,404.76               |



|        |                                                                                                   |      |      |      |      |      |      |
|--------|---------------------------------------------------------------------------------------------------|------|------|------|------|------|------|
| 16(i)  | Earnings per share of Rs. 10/- each (EPS) - in Rs. (before extra-ordinary items) (not annualised) |      |      |      |      |      |      |
|        | (a) Basic                                                                                         | 0.03 | 2.41 | 1.12 | 2.43 | 2.43 | 3.96 |
|        | (b) Diluted                                                                                       | 0.03 | 2.37 | 1.11 | 2.40 | 2.37 | 3.89 |
| 16(ii) | Earnings per share of Rs. 10/- each (EPS) - in Rs. (after extra-ordinary items) (not annualised)  |      |      |      |      |      |      |
|        | (a) Basic                                                                                         | 0.03 | 2.41 | 1.12 | 2.43 | 2.43 | 3.96 |
|        | (b) Diluted                                                                                       | 0.03 | 2.37 | 1.11 | 2.40 | 2.37 | 3.89 |

| PART II                                                                 |                                                                                               |            |            |            |            |            |            |
|-------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|------------|------------|------------|------------|------------|------------|
| Select Information for the Quarter & Half Year ended September 30, 2014 |                                                                                               |            |            |            |            |            |            |
| <b>A</b>                                                                | <b>PARTICULARS OF SHAREHOLDING</b>                                                            |            |            |            |            |            |            |
| 1                                                                       | Public Shareholding                                                                           |            |            |            |            |            |            |
|                                                                         | - Number of shares                                                                            | 55,985,589 | 55,701,170 | 54,150,666 | 55,985,589 | 54,150,666 | 55,197,975 |
|                                                                         | - Percentage of Shareholding                                                                  | 44.95%     | 44.82%     | 44.12%     | 44.95%     | 44.12%     | 44.60%     |
| 2                                                                       | Promoters and Promoter Group Shareholding                                                     |            |            |            |            |            |            |
|                                                                         | (a) Pledged/ Encumbered                                                                       |            |            |            |            |            |            |
|                                                                         | - Number of Shares                                                                            | 46,322,500 | 43,723,794 | 31,813,923 | 46,322,500 | 31,813,923 | 37,594,223 |
|                                                                         | - Percentage of shares ( as a % of the total shareholding of the promoter and promoter group) | 67.55%     | 63.76%     | 46.40%     | 67.55%     | 46.40%     | 54.82%     |
|                                                                         | - Percentage of shares ( as a % of the total share capital of the Company)                    | 37.19%     | 35.18%     | 25.92%     | 37.19%     | 25.92%     | 30.37%     |
|                                                                         | (b) Non encumbered                                                                            |            |            |            |            |            |            |
|                                                                         | - Number of Shares                                                                            | 22,249,168 | 24,847,874 | 36,757,745 | 22,249,168 | 36,757,745 | 30,977,445 |
|                                                                         | - Percentage of shares ( as a % of the total shareholding of the promoter and promoter group) | 32.45%     | 36.24%     | 53.60%     | 32.45%     | 53.60%     | 45.18%     |
|                                                                         | - Percentage of shares ( as a % of the total share capital of the Company)                    | 17.86%     | 20.00%     | 29.96%     | 17.86%     | 29.96%     | 25.03%     |

|          | Particulars                                    | Quarter ended September 30, 2014 |
|----------|------------------------------------------------|----------------------------------|
| <b>B</b> | <b>INVESTOR COMPLAINTS</b>                     |                                  |
|          | Pending at the beginning of the quarter        | Nil                              |
|          | Received during the quarter                    | 2                                |
|          | Disposed of during the quarter                 | 2                                |
|          | Remaining unresolved at the end of the quarter | Nil                              |



**Notes :**

- 1 The above Standalone Unaudited Financial Results reviewed by the Audit Committee have been approved and taken on record by the Board of Directors at its meeting held on November 14, 2014.
- 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.4,157.55 lacs (Rs.14,689.93 lacs) during the quarter ended September 30, 2014 and Rs. 11,780.73 lacs (Rs. 30,322.91 lacs) during the half year ended September 30, 2014 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 and half year ended September 30, 2014.

**5 Statement of Outstanding Stock Options :**

| Particulars                                          | ESOP Scheme 2008 | ESOP Scheme 2010 | ESOP Scheme 2012 |
|------------------------------------------------------|------------------|------------------|------------------|
| 1 Outstanding Stock Options as on July 01, 2014      | 988,893          | 2,150,180        | 5,509,035        |
| 2 Stock Options Granted during the quarter           | -                | -                | -                |
| 3 Stock Options Exercised during the quarter         | 59,750           | 105,777          | 118,892          |
| 4 Stock Options Cancelled/Lapsed during the quarter  | 71,880           | 61,157           | 73,896           |
| 5 Outstanding Stock Options as on September 30, 2014 | 857,263          | 1,983,246        | 5,316,247        |

- 6 The Company has accrued the income entitlement of MVAT and CST refund for the quarter ended September 2014 and henceforth will account on quarterly basis to ensure comparison and consistency, instead of accruing the same on yearly basis as done in the past and hence the profit for the quarter ended September 30, 2014 and half year ended September 30, 2014 is higher to that extent. Operating income for the quarter ended September 30, 2014, June 30, 2014 and half year ended September 30, 2014 includes Rs 1,915.50 lacs, Rs 4,905.31 lacs and Rs 6,820.81 lacs respectively on account of entitlement of MVAT and CST refund as compared to Rs 1,237.55 lacs included in the half year ended September 30, 2013 and year ended March 31, 2014.
- 7 As per the requirement of Schedule II of the Companies Act, 2013 effective from April 01, 2014, the Company has charged depreciation based on the useful lives. Consequently, depreciation charge for the quarter and half year ended September 30, 2014 is higher by Rs. 137.07 lacs and Rs. 274.17 lacs respectively due to change in the useful life of certain assets. Further, an amount of Rs. 445.02 lacs has been adjusted against the opening balance of Retained Earnings (net of Deferred Tax Credit of Rs. 213.73 lacs) as on April 01, 2014, in respect of the residual value of assets wherein the remaining useful life has become 'NIL'.
- 8 During the quarter, the Company has allotted 284,419 equity shares to option grantees against exercise of vested stock options.
- 9 Employee benefits expense includes the provisions for Employee Retirement Benefits on pro-rata basis.
- 10 The figures for the quarter and half year ended September 30, 2014 are not comparable with those of the corresponding period of the previous year due to sale of entire stake held by the Company in its wholly owned subsidiary i.e. P.P. Caps Private Limited on January 16, 2014.
- 11 The previous period figures have been regrouped and reclassified wherever necessary.



## 12 Standalone Statement of Assets and Liabilities

(Rs. in Lacs)

| Particulars |                                                  | As at Half                              | As at Previous                        |
|-------------|--------------------------------------------------|-----------------------------------------|---------------------------------------|
|             |                                                  | Year ended<br>30.09.2014<br>(Unaudited) | Year ended<br>31.03.2014<br>(Audited) |
| <b>A</b>    | <b>EQUITY AND LIABILITIES</b>                    |                                         |                                       |
| <b>1</b>    | <b>Shareholders' funds</b>                       |                                         |                                       |
|             | a) Share capital                                 | 12,455.73                               | 12,376.96                             |
|             | b) Reserves & Surplus                            | 44,697.63                               | 41,828.61                             |
|             | c) Money received against share warrants         |                                         |                                       |
|             | <b>Sub-total - Shareholders' funds</b>           | <b>57,153.36</b>                        | <b>54,205.58</b>                      |
| <b>2</b>    | <b>Share application money pending allotment</b> |                                         |                                       |
| <b>3</b>    | <b>Non-current liabilities</b>                   |                                         |                                       |
|             | a) Long term borrowings                          | 17,435.97                               | 20,848.43                             |
|             | b) Deferred tax liabilities (net)                | 3,393.25                                | 3,576.46                              |
|             | c) Other long term liabilities                   | 9,375.46                                | 6,783.46                              |
|             | d) Long term provisions                          | 130.43                                  | 127.25                                |
|             | <b>Sub-total- Non-Current liabilities</b>        | <b>30,335.11</b>                        | <b>31,335.61</b>                      |
| <b>4</b>    | <b>Current liabilities</b>                       |                                         |                                       |
|             | a) Short term borrowings                         | 53,277.75                               | 49,714.54                             |
|             | b) Trade payables                                | 6,479.65                                | 4,375.96                              |
|             | c) Other current liabilities                     | 8,895.59                                | 10,164.17                             |
|             | d) Short-term provisions                         | 2,793.21                                | 3,001.86                              |
|             | <b>Sub-total-Current liabilities</b>             | <b>71,446.20</b>                        | <b>67,256.52</b>                      |
|             | <b>TOTAL - EQUITY AND LIABILITIES</b>            | <b>158,934.67</b>                       | <b>152,797.71</b>                     |
| <b>B</b>    | <b>ASSETS</b>                                    |                                         |                                       |
| <b>1</b>    | <b>Non-current assets</b>                        |                                         |                                       |
|             | a) Fixed Assets                                  | 54,112.03                               | 53,338.94                             |
|             | b) Non-Current investment                        | 4,552.45                                | 4,552.45                              |
|             | c) Deferred Tax assets (net)                     | -                                       | -                                     |
|             | d) Long-term loans and advances                  | 11,505.97                               | 10,986.55                             |
|             | e) Other non-current assets                      | 9.62                                    | 27.52                                 |
|             | <b>Sub-total- Non-current assets</b>             | <b>70,180.07</b>                        | <b>68,905.46</b>                      |
| <b>2</b>    | <b>Current assets</b>                            |                                         |                                       |
|             | a) Current Investments                           | -                                       | -                                     |
|             | b) Inventories                                   | 11,400.87                               | 10,487.35                             |
|             | c) Trade receivables                             | 15,088.42                               | 18,117.27                             |
|             | d) Cash and cash equivalents                     | 1,475.20                                | 1,076.33                              |
|             | e) Short term loans and advances                 | 60,787.68                               | 54,209.36                             |
|             | f) Other current assets                          | 2.43                                    | 1.94                                  |
|             | <b>Sub-total- Current Assets</b>                 | <b>88,754.60</b>                        | <b>83,892.25</b>                      |
|             | <b>TOTAL - ASSETS</b>                            | <b>158,934.67</b>                       | <b>152,797.71</b>                     |

Place: Mumbai

Date : November 14, 2014



By Order of the Board  
For TILAKNAGAR INDUSTRIES LTD.

*Amit Dahanukar*  
AMIT DAHANUKAR  
CHAIRMAN & MANAGING DIRECTOR