

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 September, 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.

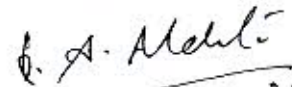
We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information performed by the independent Auditor of the entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to 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 : 3 November, 2012

PART I							(Rs in lacs)
Statement of Standalone Unaudited Financial Results for the Quarter & Half Year ended September 30, 2012							
	Particulars	Quarter Ended			Half Year ended		Previous Year Ended
		30.09.2012 Unaudited	30.06.2012 Unaudited	30.09.2011 Unaudited	30.09.2012 Unaudited	30.09.2011 Unaudited	31.03.2012 (Audited)
1	Income from operations						
	(a) Net sales / income from operations (Net of excise duty)	14,325.90	10,872.81	11,955.68	25,198.71	21,090.81	45,285.44
	(b) Other operating income	33.27	1,148.51	7.47	1,181.78	20.09	441.29
	Total Income from operations (net)	14,359.17	12,021.32	11,963.15	26,380.49	21,110.90	45,726.73
2	Expenses						
	(a) Cost of materials consumed	5,977.67	4,772.46	4,560.86	10,750.13	7,884.92	18,518.99
	(b) Purchases of stock-in-trade	-	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(129.98)	634.44	260.88	504.46	(1,285.80)	(3,286.77)
	(d) Employee benefits Expense	691.62	599.83	679.30	1,291.45	1,449.13	2,724.46
	(e) Depreciation and amortization expense	554.01	549.66	519.33	1,103.67	1,030.54	2,121.54
	(f) Other expenses	4,045.01	2,671.17	3,019.56	6,716.18	7,465.66	14,572.47
	Total expenses	11,138.33	9,227.56	9,039.93	20,365.89	16,544.45	34,650.69
3	Profit from operations before other income, finance costs and exceptional items (1-2)	3,220.84	2,793.76	2,923.22	6,014.60	4,566.45	11,076.04
4	Other income	22.88	75.95	62.28	98.83	82.35	145.95
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	3,243.72	2,869.71	2,985.50	6,113.43	4,648.80	11,221.99
6	Finance costs	1,472.76	1,303.74	1,418.31	2,776.50	2,643.78	5,415.64
7	Profit from ordinary activities after finance costs but before exceptional items (5 - 6)	1,770.96	1,565.97	1,567.19	3,336.93	2,005.02	5,806.35
8	Exceptional items	-	-	-	-	-	-
9	Profit from ordinary activities before tax (7 - 8)	1,770.96	1,565.97	1,567.19	3,336.93	2,005.02	5,806.35
10	Tax expense	584.00	508.16	518.00	1,092.16	662.00	1,930.98
11	Net Profit from ordinary activities after tax (9 - 10)	1,186.96	1,057.81	1,049.19	2,244.77	1,343.02	3,875.37
12	Extraordinary items (net of tax expenses Rs. _____ Lacs)	-	-	-	-	-	-
13	Net Profit for the period (11-12)	1,186.96	1,057.81	1,049.19	2,244.77	1,343.02	3,875.37
14	(a) Paid-up equity share capital(Face value of the share Rs.10/- each)	12,043.36	12,020.19	11,538.30	12,043.36	11,538.30	12,000.18
	(b) Convertible Warrant	-	-	781.87	-	781.87	-
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	26,378.43
16(i)	Earnings per share of Rs. 10 /- each(EPS) before extra-ordinary items (Rs.) (not annualised)						
	(a) Basic	0.99	0.88	0.91	1.87	1.16	3.35
	(b) Diluted	0.96	0.86	0.89	1.82	1.15	3.30
16(ii)	Earnings per share of Rs. 10/- each (EPS) after extra-ordinary items (Rs.) (not annualised)						
	(a) Basic	0.99	0.88	0.91	1.87	1.16	3.35
	(b) Diluted	0.96	0.86	0.89	1.82	1.15	3.30

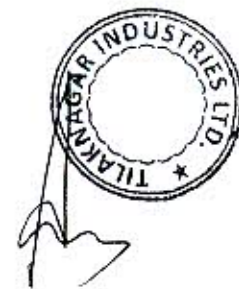


PART II

Select Information for the Quarter & Half Year ended September 30, 2012

A PARTICULARS OF SHAREHOLDING							
1	Public Shareholding						
	- Number of shares	52,150,219	52,123,841	52,782,765	52,150,219	52,782,765	52,342,197
	- Percentage of Shareholding	43.30%	43.36%	45.75%	43.30%	45.75%	43.62%
2	Promoters and Promoter Group Shareholding						
	(a) Pledged/ Encumbered						
	- Number of Shares	37,374,009	34,112,080	-	37,374,009	-	23,091,944
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	54.73%	50.11%	-	54.73%	-	34.13%
	- Percentage of shares (as a % of the total share capital of the Company)	31.03%	28.38%	-	31.03%	-	19.24%
	(b) Non encumbered						
	- Number of Shares	30,909,326	33,965,995	62,600,239	30,909,326	62,600,239	44,567,631
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	45.27%	49.89%	100%	45.27%	100%	65.87%
	- Percentage of shares (as a % of the total share capital of the Company)	25.67%	28.26%	54.25%	25.67%	54.25%	37.14%

Particulars	Quarter ended September 30, 2012
B INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	Nil
Received during the quarter	16
Disposed of during the quarter	16
Remaining unresolved at the end of the quarter	Nil



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 November 03, 2012.

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. 12,376.86 lacs (Rs. 18,355.79 lacs) during the quarter ended September 30, 2012 and Rs. 19,502.70 lacs (Rs. 37,110.92 lacs) during the half year ended September 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 and half year ended September 30, 2012.

5 **Statement of Outstanding Stock Options :**

Particulars	ESOP Scheme 2008	ESOP Scheme 2010	ESOP Scheme 2012
1 Outstanding Stock Options as on July 01, 2012	3,196,649	4,456,629	3,000,000
2 Stock Options Granted during the quarter	-	-	-
3 Stock Options Exercised during the quarter	208,018	23,620	-
4 Stock Options Cancelled/Lapsed during the quarter	81,000	66,870	-
5 Outstanding Stock Options as on September 30, 2012	2,907,631	4,366,139	3,000,000

- 6 During the quarter, the Company has allotted 231,635 equity shares to option grantees against exercise of vested stock options.
- 7 Other Operating income for the quarter ended June 30, 2012 includes Rs 1,098.39 lacs on account of entitlement of MVAT and CST refund for the previous 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.
- 8 Employee benefits expense includes the provisions for Employee Retirement Benefits on pro-rata basis.
- 9 The previous period's figures have been regrouped wherever necessary.

10 **Standalone Statement of Assets and Liabilities:**

(Rs. in Lacs)

Particulars	As at Half Year ended 30.09.2012 (Unaudited)	As at Previous Year ended 31.03.2012 (Audited)
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
a) Share Capital	12,043.36	12,000.18
b) Reserves & Surplus	35,557.75	33,403.89
c) Money received against share warrants		
Sub-total - Shareholders' funds	47,601.11	45,404.07
2 Share application money pending allotment	-	16.75
3 Non-current liabilities		
a) Long term borrowings	5,804.97	7,235.04
b) Deferred tax liabilities (net)	2,801.90	2,591.34
c) Other long term liabilities	4,520.56	3,218.91
d) Long term provisions	138.47	82.33
Sub-total- Non-Current liabilities	13,265.90	13,127.62
4 Current liabilities		
a) Short term borrowings	40,721.49	35,037.79
b) Trade payables	3,149.57	3,557.34
c) Other current liabilities	3,744.27	3,757.37
d) Short-term provisions	1,188.60	2,959.18
Sub-total-Current liabilities	48,803.93	45,311.68
TOTAL - EQUITY AND LIABILITIES	109,670.94	103,860.12
B ASSETS		
1 Non-current assets		
a) Fixed Assets	40,259.60	40,403.38
b) Non-Current investment	4,408.45	4,408.45
c) Deferred Tax assets (net)	-	-
d) Long-term loans and advances	1,085.61	387.06
e) Other non-current assets	-	-
Sub-total- Non-current assets	45,753.66	45,198.89
2 Current assets		
a) Current Investments	-	25.00
b) Inventories	10,502.06	10,813.97
c) Trade receivables	8,793.43	8,948.65
d) Cash and cash equivalents	866.67	809.20
e) Short term loans and advances	43,747.91	38,059.20
f) Other current assets	5.21	5.21
Sub-total- Current Assets	63,917.28	58,661.23
TOTAL - ASSETS	109,670.94	103,860.12

Place: Mumbai
Date : November 03, 2012

By Order of the Board
For TILAKNAGAR INDUSTRIES LTD.

AMIT DAHANUKAR
CHAIRMAN & MANAGING DIRECTOR

