

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 Consolidated Financial Results of **Tilaknagar Industries Ltd.** ("the Group") for the quarter ended 30 September, 2013 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, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement. 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.

In respect of unaudited consolidated financial results, we did not review the statement of unaudited quarterly financial results of nine subsidiaries, which reflect total revenue of Rs. 6,203 lakhs for the quarter ended 30 September, 2013 and total assets of Rs. 24,840 lakhs as at 30 September, 2013. 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 and half year ended 30 September, 2013. The financial information for these subsidiaries have been reviewed by the other auditor whose reports have been furnished to us, and our opinion on the quarterly financial results is based solely on the reports of the other auditor.

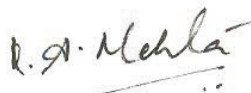
We report that the statement of unaudited consolidated quarterly financial results have been prepared by the management of Tilaknagar Industries Ltd. in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements.

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 Companies (Accounting Standards) Rules, 2006] 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

Sd/- 

Kaushal Mehta

Partner

Membership No.111749

Place : Mumbai

Date: 31 October, 2013

TILAKNAGAR INDUSTRIES LTD.

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

PART I		Statement of Consolidated Unaudited Financial Results for the Quarter & Half Year ended September 30, 2013							(Rs in lacs)
Particulars		Quarter Ended				Half Year ended		Previous Year Ended	
		30.09.2013 Unaudited	30.06.2013 Unaudited	30.09.2012 Unaudited	30.09.2013 Unaudited	30.09.2012 Unaudited	31.03.2013 (Audited)		
1	Income from operations								
	(a) Net sales / income from operations (Net of excise duty)	19,850.41	16,702.78	17,574.66	36,553.19	31,712.10	73,749.56		
	(b) Other operating income (Refer Note 9)	130.96	1,310.99	41.07	1,441.95	1,244.95	1,492.40		
	Total Income from operations (net)	19,981.37	18,013.77	17,615.73	37,995.14	32,957.05	75,241.96		
2	Expenses								
	(a) Cost of materials consumed	9,228.74	8,064.41	7,310.26	17,293.15	13,548.03	33,472.18		
	(b) Purchases of stock-in-trade	(439.79)	(38.39)	25.39	(478.18)	459.15	1,287.34		
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	835.10	883.89	745.22	1,718.99	1,391.36	2,979.09		
	(d) Employee benefits Expense	592.03	604.24	600.22	1,196.27	1,190.45	2,418.25		
	(e) Depreciation and amortization expense	5,956.76	5,093.82	4,990.81	11,050.58	9,271.51	20,442.93		
	(f) Other expenses	16,172.84	14,607.97	13,671.90	30,780.81	25,860.50	60,599.79		
	Total expenses	3,808.53	3,405.80	3,943.83	7,214.33	7,096.55	14,642.17		
3	Profit from operations before other income, finance costs and exceptional items (1-2)	56.24	83.78	22.18	140.02	101.58	216.34		
4	Other income								
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	3,864.77	3,489.58	3,966.01	7,354.35	7,198.13	14,858.51		
6	Finance costs	1,477.69	1,442.87	1,655.52	2,920.56	3,244.40	6,354.70		
7	Profit from ordinary activities after finance costs but before exceptional items (5 - 6)	2,387.08	2,046.71	2,310.49	4,433.79	3,953.73	8,503.81		
8	Exceptional items	-	-	-	-	-	-		
9	Profit from ordinary activities before tax (7 - 8)	2,387.08	2,046.71	2,310.49	4,433.79	3,953.73	8,503.81		
10	Tax expense	782.71	319.29	724.00	1,102.00	1,274.15	2,443.76		
11	Net Profit from ordinary activities after tax (9 - 10)	1,604.37	1,727.42	1,586.49	3,331.79	2,679.58	6,060.05		
12	Extraordinary items	-	-	-	-	-	-		
13	Net Profit for the period before share of profit of associates and minority interest (11-12)	1,604.37	1,727.42	1,586.49	3,331.79	2,679.58	6,060.05		
14	Share of Profit of associates								
15	Minority interest						0.49		
16	Net Profit after taxes, minority interest and share of profit of associates (13+14-15)	1,604.37	1,727.42	1,586.49	3,331.79	2,679.58	6,059.56		
17	Paid-up equity share capital(Face value of the share Rs.10/- each)	12,272.23	12,205.31	12,043.36	12,272.23	12,043.36	12,188.01		
18	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	34,175.73		



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19(i)	Earnings per share of Rs. 10/- each(EPS) before extra-ordinary items (Rs.) (not annualised)						
	(a) Basic	1.30	1.42	1.32	2.72	2.23	5.02
	(b) Diluted	1.29	1.37	1.28	2.66	2.17	4.86
19(ii)	Earnings per share of Rs. 10/- each (EPS) after extra-ordinary items (Rs.) (not annualised)						
	(a) Basic	1.30	1.42	1.32	2.72	2.23	5.02
	(b) Diluted	1.29	1.37	1.28	2.66	2.17	4.86

PART II							
Select Information for the Quarter & Half Year ended September 30, 2013							
A	PARTICULARS OF SHAREHOLDING						
1	Public Shareholding						
	- Number of shares	54,150,666	53,481,402	52,150,219	54,150,666	52,150,219	53,308,467
	- Percentage of Shareholding	44.12%	43.82%	43.30%	44.12%	43.30%	43.74%
2	Promoters and Promoter Group Shareholding						
(a)	Pledged/ Encumbered						
	- Number of Shares	31,813,923	35,406,318	37,374,009	31,813,923	37,374,009	36,404,866
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	46.40%	51.63%	54.73%	46.40%	54.73%	53.09%
	- Percentage of shares (as a % of the total share capital of the Company)	25.92%	29.01%	31.03%	25.92%	31.03%	29.87%
(b)	Non encumbered						
	- Number of Shares	36,757,745	33,165,350	30,909,326	36,757,745	30,909,326	32,166,802
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	53.60%	48.37%	45.27%	53.60%	45.27%	46.91%
	- Percentage of shares (as a % of the total share capital of the Company)	29.96%	27.17%	25.67%	29.96%	25.67%	26.39%

Particulars	Quarter ended September 30, 2013
B	
INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	Nil
Received during the quarter	12
Disposed of during the quarter	12
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 October 31, 2013.
- 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 securities 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
		30.09.2013	30.06.2013	30.09.2012	30.09.2013	30.09.2012	31.03.2013
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Net sales/ income from operations	14,646.28	13,035.27	14,325.90	27,681.55	25,198.71	55,636.01
2	Profit before tax	2,039.73	1,853.47	1,770.96	3,893.20	3,336.93	7,197.20
3	Profit after tax	1,377.94	1,593.41	1,186.96	2,971.35	2,244.77	5,034.33

- 6 The Company has franchisee arrangements in some states and in respect of such arrangements the turnover of Rs. 14,689.93 lacs (Rs 12,376.86 lacs) during the quarter ended September 30, 2013 and Rs. 30,322.91 lacs (Rs. 19,502.70 lacs) during the half year ended September 30, 2013 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, 2013.

8 Statement of Outstanding Stock Options :

Particulars		ESOP Scheme 2008	ESOP Scheme 2010	ESOP Scheme 2012
1	Outstanding Stock Options as on July 01, 2013	1,959,702	3,177,626	4,787,182
2	Stock Options Granted during the quarter	-	-	-
3	Stock Options Exercised during the quarter	181,192	57,658	86,621
4	Stock Options Cancelled/Lapsed during the quarter	27,369	36,037	21,101
5	Outstanding Stock Options as on September 30, 2013	1,751,141	3,083,931	4,679,460

- 9 Other Operating income for the quarter ended June 30, 2013 and half year ended September 30, 2013 includes Rs 1,237.55 lacs on account of entitlement of MVAT and CST refund for the year 2012-2013 as compared to Rs 1,098.35 lacs included in the half year ended September 30, 2012 and year ended March 31, 2013 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.
- 10 During the quarter, the Company has allotted 669,264 equity shares to option grantees against exercise of vested stock options.
- 11 Employee benefits expense includes the provisions for Employee Retirement Benefits on pro-rata basis.
- 12 The previous period's figures have been regrouped and reclassified wherever necessary.



13 Consolidated Statement of Assets and Liabilities

(Rs. in Lacs)

Particulars	As at Half	As at Previous
	Year ended	Year ended
	30.09.2013	31.03.2013
	(Unaudited)	(Audited)
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
a) Share capital	12,272.23	12,188.01
b) Reserves & Surplus	44,483.31	40,900.39
c) Money received against share warrants		
Sub-total - Shareholders' funds	56,755.54	53,088.40
2 Share application money pending allotment	33.13	39.76
3 Minority interest	-	0.79
4 Non-current liabilities		
a) Long term borrowings	23,189.63	21,117.97
b) Deferred tax liabilities (net)	3,511.48	3,304.48
c) Other long term liabilities	8,022.26	4,519.41
d) Long term provisions	102.54	84.38
Sub-total- Non-Current liabilities	34,825.91	29,026.25
5 Current liabilities		
a) Short term borrowings	44,482.25	41,997.88
b) Trade payables	7,053.62	9,899.96
c) Other current liabilities	7,006.54	4,925.69
d) Short-term provisions	1,530.62	2,953.97
Sub-total-Current liabilities	60,073.03	59,777.51
TOTAL - EQUITY AND LIABILITIES	151,687.61	141,932.72
B ASSETS		
1 Non-current assets		
a) Fixed Assets	60,006.52	56,147.79
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	8,163.54	7,093.22
f) Other non-current assets	-	-
Sub-total- Non-current assets	70,885.61	65,956.56
2 Current assets		
a) Current Investments	-	-
b) Inventories	15,482.56	13,315.35
c) Trade receivables	18,472.30	20,199.74
d) Cash and cash equivalents	2,362.32	2,527.76
e) Short term loans and advances	44,483.75	39,930.09
f) Other current assets	1.07	3.22
Sub-total- Current Assets	80,802.00	75,976.17
TOTAL - ASSETS	151,687.61	141,932.72

By Order of the Board
For TILAKNAGAR INDUSTRIES LTD.



Place: Mumbai
Date : October 31, 2013

Amit Dahanukar
AMIT DAHANUKAR
CHAIRMAN & MANAGING DIRECTOR

BATLIBOI & PUROHIT

Chartered Accountants

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NATIONAL INSURANCE BUILDING
204, DADABHOY NAOROJI ROAD
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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, 2013 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.

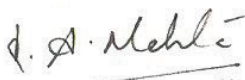
We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information performed by the independent Auditor of the entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to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

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

Sd/- 

Kaushal Mehta

Partner

Membership No.111749

Place : Mumbai

Date : 31 October, 2013



16(i) Earnings per share of Rs. 10/- each (EPS) before extra-ordinary items (Rs.) (not annualised)		1.12	1.31	0.99	2.43	1.87	4.17
(a) Basic		1.11	1.26	0.96	2.37	1.82	4.04
(b) Diluted							
16(ii) Earnings per share of Rs. 10/- each (EPS) after extra-ordinary items (Rs.) (not annualised)		1.12	1.31	0.99	2.43	1.87	4.17
(a) Basic		1.11	1.26	0.96	2.37	1.82	4.04
(b) Diluted							
PART II							
Select Information for the Quarter & Half Year ended September 30, 2013							
A PARTICULARS OF SHAREHOLDING							
1	Public Shareholding						
	- Number of shares	54,150,666	53,481,402	52,150,219	54,150,666	52,150,219	53,308,467
	- Percentage of Shareholding	44.12%	43.82%	43.30%	44.12%	43.30%	43.74%
2	Promoters and Promoter Group Shareholding						
	(a) Pledged/ Encumbered						
	- Number of Shares	31,813,923	35,406,318	37,374,009	31,813,923	37,374,009	36,404,866
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	46.40%	51.63%	54.73%	46.40%	54.73%	53.09%
	- Percentage of shares (as a % of the total share capital of the Company)	25.92%	29.01%	31.03%	25.92%	31.03%	29.87%
	(b) Non encumbered						
	- Number of Shares	36,757,745	33,165,350	30,909,326	36,757,745	30,909,326	32,166,802
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	53.60%	48.37%	45.27%	53.60%	45.27%	46.91%
	- Percentage of shares (as a % of the total share capital of the Company)	29.96%	27.17%	25.67%	29.96%	25.67%	26.39%

Particulars	Quarter ended September 30, 2013
B INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	Nil
Received during the quarter	12
Disposed of during the quarter	12
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 October 31, 2013.
- 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. 14,689.93 lacs (Rs 12,376.86 lacs) during the quarter ended September 30, 2013 and Rs. 30,322.91 lacs (Rs. 19,502.70 lacs) during the half year ended September 30, 2013 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, 2013.

5 Statement of Outstanding Stock Options :

Particulars	ESOP Scheme 2008	ESOP Scheme 2010	ESOP Scheme 2012
1 Outstanding Stock Options as on July 01, 2013	1,959,702	3,177,626	4,787,182
2 Stock Options Granted during the quarter	-	-	-
3 Stock Options Exercised during the quarter	181,192	57,658	86,621
4 Stock Options Cancelled/Lapsed during the quarter	27,369	36,037	21,101
5 Outstanding Stock Options as on September 30, 2013	1,751,141	3,083,931	4,679,460

- 6 Other Operating income for the quarter ended June 30, 2013 and half year ended September 30, 2013 includes Rs 1,237.55 lacs on account of entitlement of MVAT and CST refund for the year 2012-2013 as compared to Rs 1,098.35 lacs included in the half year ended September 30, 2012 and year ended March 31, 2013 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 669,264 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's figures have been regrouped and reclassified wherever necessary.
- 10 Standalone Statement of Assets and Liabilities:

Particulars		(Rs. in Lacs)	
		As at Half Year ended 30.09.2013 (Unaudited)	As at Previous Year ended 31.03.2013 (Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	a) Share Capital	12,272.23	12,168.01
	b) Reserves & Surplus	41,006.56	37,784.87
	c) Money received against share warrants		
	Sub-total - Shareholders' funds	53,278.79	49,972.88
2	Share application money pending allotment	33.13	39.76
3	Non-current liabilities		
	a) Long term borrowings	20,600.08	17,752.63
	b) Deferred tax liabilities (net)	3,238.58	3,054.20
	c) Other long term liabilities	8,022.26	4,519.40
	d) Long term provisions	102.54	84.38
	Sub-total- Non-Current liabilities	31,963.46	25,410.61
4	Current liabilities		
	a) Short term borrowings	43,122.02	40,953.26
	b) Trade payables	4,633.85	4,594.58
	c) Other current liabilities	5,096.85	3,151.19
	d) Short-term provisions	1,060.01	2,475.49
	Sub-total-Current liabilities	53,912.73	51,174.52
	TOTAL - EQUITY AND LIABILITIES	139,188.11	126,597.77
B	ASSETS		
1	Non-current assets		
	a) Fixed Assets	46,383.55	43,277.97
	b) Non-Current investment	4,577.45	4,577.44
	c) Deferred Tax assets (net)	-	-
	d) Long-term loans and advances	7,440.51	6,380.69
	e) Other non-current assets		
	Sub-total- Non-current assets	58,401.51	54,236.10
2	Current assets		
	a) Current Investments	-	-
	b) Inventories	12,547.25	10,662.01
	c) Trade receivables	13,891.66	13,481.76
	d) Cash and cash equivalents	1,996.55	1,058.93
	e) Short term loans and advances	52,350.07	47,157.72
	f) Other current assets	1.07	1.25
	Sub-total- Current Assets	80,786.60	72,361.67
	TOTAL - ASSETS	139,188.11	126,597.77

Place: Mumbai
Date : October 31, 2013



By Order of the Board
For TILAKNAGAR INDUSTRIES LTD.

AMIT DAHANUKAR
CHAIRMAN & MANAGING DIRECTOR