



HARSHIL SHAH & COMPANY

Chartered Accountants

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Independent Auditor's Review Report on Unaudited Standalone Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Tilaknagar Industries Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of **Tilaknagar Industries Limited** ("the Company") for the quarter ended June 30, 2022 ("the Statement"), being submitted by the company pursuant to the requirement of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. This Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure 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.
4. Attention is invited to the following:
 - a) The Company has not carried out impairment analysis of one of the ENA plants as required by Indian Accounting Standard (Ind AS 36) 'Impairment of Assets' though there is an indication of impairment. Reference is invited to note no. 5 of the statement.
 - b) The National Company Law Tribunal ("NCLT") has ordered for liquidation of Prag Distillery (P) Ltd ("Prag") wholly owned subsidiary of the Company, vide its order No. MA 309/2018 in CP1067/ 2017 dated July 26, 2018. However, the Company has not made impairment provision for equity investment of Rs. 1543.35 lakhs in Prag as required by Indian Accounting



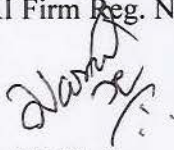
Standard (Ind AS 36) 'Impairment of Assets'. Reference is invited to note no. 6 of the statement.

- c) PunjabExpo Breweries Private Limited ("Punjabexpo") wholly owned subsidiary of the Company, has incurred loss during the quarter and due to accumulated losses, the net worth is negative. Despite adverse financial condition, the Management has not recognised provision for impairment in equity investment of Rs. 2680.40 lakhs and loans & advances given of Rs. 3796.83 lakhs to Punjabexpo as required by Indian Accounting Standard (Ind AS 36) 'Impairment of Assets'. Reference is invited to note no. 7 of the statement.

The above matters were also qualified in our report on the audited financial results for the quarter and year ended March 31, 2022.

5. Based on our review conducted and procedures performed as stated above, except for the possible effects for the matters described in paragraph 4 above. nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other recognised accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Harshil Shah & Company
Chartered Accountants
ICAI Firm Reg. No. 141179W



Harshil Shah
Partner
Membership No. 124146



Place: Mumbai
Date: August 11, 2022
ICAI UDIN: 22124146AOUZXP5337

TILAKNAGAR INDUSTRIES LTD. (CIN: L15420PN1933PLC133303)

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(Rs. in Lacs except EPS)					
Statement of Standalone Unaudited Financial Results for the Quarter ended June 30, 2022					
	Particulars	Quarter ended		Year ended	
		30.06.2022 Unaudited	31.03.2022 Audited	30.06.2021 Unaudited	31.03.2022 Audited
I	Revenue from Operations	48,051.93	52,090.80	32,413.84	1,79,205.87
II	Other Income	76.89	796.89	16.60	959.59
III	Total Income (I + II)	48,128.82	52,887.69	32,430.44	1,80,165.46
IV	Expenses				
	(a) Cost of materials consumed	12,143.13	12,059.12	6,379.76	37,798.42
	(b) Purchases of stock-in-trade	-	-	-	-
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	463.42	286.01	(444.28)	442.84
	(d) Excise duty	25,097.15	27,984.76	18,883.38	1,00,868.62
	(e) Employee benefits expense	693.77	756.06	455.33	2,078.99
	(f) Finance costs	1,302.32	1,439.44	1,423.15	5,776.41
	(g) Depreciation and amortization expense	766.37	769.56	779.90	3,116.72
	(h) Other expenses	7,594.64	8,950.86	4,538.64	27,576.13
	Total Expenses	48,060.80	52,245.81	32,015.88	1,77,658.13
V	Profit/(Loss) Before Exceptional Items And Tax (III-IV)	68.02	641.88	414.56	2,507.33
VI	Exceptional Items	-	-	-	-
VII	Profit/(Loss) Before Tax (V+/-VI)	68.02	641.88	414.56	2,507.33
VIII	Tax Expense				
	(a) Current tax	-	-	-	-
	(b) Taxes for Earlier Years	-	-	-	(399.69)
	(c) Deferred tax	-	-	-	-
	Total Tax Expense	-	-	-	(399.69)
IX	Profit/(Loss) For The Period (VII-VIII)	68.02	641.88	414.56	2,907.02
X	Other Comprehensive Income/(Loss)				
	(a) Items that will not be reclassified to Profit & Loss				
	(i) Remeasurement gain /(loss) in respect of the defined benefit plans	(9.13)	(19.16)	(5.79)	(36.53)
	(ii) Tax on remeasurement gain /(loss) in respect of defined benefit plans	-	-	-	-
	(b) Items that will be reclassified to Profit & Loss	-	-	-	-
	Total Other Comprehensive Income/(Loss) For The Period [(a) +(b)]	(9.13)	(19.16)	(5.79)	(36.53)
XI	Total Comprehensive Income/(Loss) For The Period (IX+X)	58.89	622.72	408.77	2,870.49
XII	Paid-up Equity Share Capital (Face value of Rs. 10/- per Share)	15,876.19	15,862.18	13,933.84	15,862.18
XIII	Other Equity as per Balance Sheet				(3,784.56)
XIV	Earnings Per Equity Share of Rs. 10 /- Each (not annualized)				
	(a) Basic (Rs.)	0.04	0.41	0.31	2.03
	(b) Diluted (Rs.)	0.04	0.40	0.30	1.98

Notes :

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on August 11, 2022. The Statutory Auditors have expressed qualified audit conclusion.
- 2 The above results have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- 3 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 as per IND-AS 108: Operating Segments. Accordingly, disclosure in accordance with the provisions of Circular issued by the SEBI on July 05, 2016 is not applicable.
- 4 During the quarter ended June 2022, after the requisite Board and shareholders' approval, the Company has considered and issued a) 65,97,221 equity shares of face value of Rs. 10/- each to non-promoter entities on a preferential basis at an issue price of Rs. 72/- per equity share including a premium of Rs. 62/- per share and b) Issue of 52,08,333 convertible warrants to non-promoter entities on a preferential basis at an issue price of Rs. 72/- per warrant. The aforesaid shares and warrants have been allotted on July 01, 2022.
- 5 The Company expects to restart the grain distillery plant during the current financial year and has also received the permission for operating the fermentation section till March 31, 2024. It is expected that permission for operating the distillation section also will be received soon. In view of this, the management believes that there is no impairment in value of its ENA Plant and hence the recoverable amount of the ENA Plant is not required to be estimated.
- 6 The National Company Law Tribunal ("NCLT") had ordered for liquidation of Prag Distillery (P) Ltd. ("Prag"), wholly owned subsidiary of the Company, as a going concern in F.Y.2018-2019. A liquidator had been appointed to manage the affairs of Prag. The outstanding dues of Standard Chartered Bank and DCB Bank have been settled and no dues certificates have also been received. Following NCLT's approval, Prag has entered into a lease agreement with the Company and the operations are expected to restart soon after completion of the necessary statutory formalities. The impairment, if any, of the equity investment in Prag will be considered on outcome of the liquidation process.
- 7 The net worth of PunjabExpo Breweries Private Limited ("PunjabExpo"), wholly owned subsidiary of the Company, has been eroded and PunjabExpo has incurred net loss during the current quarter. However, the parent company is actively exploring the possibility of entering into northern markets where PunjabExpo will be one of the major sources of supply. It is also in talks with other brand owners to enter into bottling arrangements for the said brand owners. This would significantly improve the capacity utilisation and have favourable impact on the profitability of PunjabExpo. Moreover, PunjabExpo is also in the process of rationalization of its administrative overheads. The Board of Directors have assessed the above conditions and indicators and have come to the conclusion that no material uncertainty exists that may cast significant doubt on the PunjabExpo's ability to continue as a going concern taking into account the plans management has put in place and the other mitigating factors described above. Hence, the management believes that no provision for impairment in equity investment and loans & advances given is required.
- 8 Figures for the quarter ended March 31, 2022, are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures up to the third quarter of the previous financial year, as adjusted for certain regroupings/ reclassifications.
- 9 The previous period figures have been regrouped and reclassified wherever necessary.

**On behalf of the Board
For Tilaknagar Industries Ltd.**

**Place: Mumbai
Date : August 11, 2022**

**Amit Dahanukar
Chairman & Managing Director
DIN: 00305636**