



# HARSHIL SHAH & COMPANY

Chartered Accountants

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## Independent Auditors' Report

To the Board of Directors of Tilaknagar Industries Limited

Report on the audit of the Standalone Annual Financial Results

### Qualified Opinion

We have audited the accompanying standalone annual financial results of Tilaknagar Industries Limited (hereinafter referred to as the "Company") for the year ended March 31, 2023, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in basis for qualified opinion paragraph below the aforesaid standalone annual financial results:

- are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended March 31, 2023.

### Basis for Qualified Opinion

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. 4 of the standalone annual financial results.

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our qualified opinion on the Standalone annual financial results.





**Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results**

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.



relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Other Matters**

- a. The standalone annual financial results include the results for the quarter ended March 31, 2023 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

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

**Harshil Shah**  
Partner  
Membership No. 124146



Place: Mumbai  
Date: May 16, 2023  
ICAI UDIN: 23124146BGWXGL1133

(Rs. in Lacs except EPS)						
Statement of Standalone Audited Financial Results for the Quarter & Year ended March 31, 2023						
	Particulars	Quarter ended			Year ended	
		31.03.2023 Audited	31.12.2022 Unaudited	31.03.2022 Audited	31.03.2023 Audited	31.03.2022 Audited
<b>I</b>	<b>Revenue from Operations</b>	71,722.40	67,588.61	52,090.80	2,46,923.37	1,79,205.87
<b>II</b>	<b>Other Income</b>	475.95	77.69	796.89	640.17	959.59
<b>III</b>	<b>Total Income (I + II)</b>	<b>72,198.35</b>	<b>67,666.30</b>	<b>52,887.69</b>	<b>2,47,563.54</b>	<b>1,80,165.46</b>
<b>IV</b>	<b>Expenses</b>					
	(a) Cost of materials consumed	18,962.35	17,513.53	12,059.12	63,337.28	37,798.42
	(b) Purchases of stock-in-trade	-	-	-	-	-
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	795.18	(2,181.13)	286.01	(1,716.89)	442.84
	(d) Excise duty	35,979.63	37,259.40	27,984.76	1,30,491.54	1,00,868.62
	(e) Employee benefits expense	795.69	1,003.09	756.06	3,342.87	2,078.99
	(f) Finance costs	795.11	902.31	1,439.44	4,018.71	5,776.41
	(g) Depreciation and amortization expense	755.62	777.81	769.56	3,084.15	3,116.72
	(h) Other expenses	11,057.28	9,963.55	8,950.86	38,103.29	27,576.13
	<b>Total Expenses</b>	<b>69,140.86</b>	<b>65,238.56</b>	<b>52,245.81</b>	<b>2,40,660.95</b>	<b>1,77,658.13</b>
<b>V</b>	<b>Profit/(Loss) Before Exceptional Items And Tax (III-IV)</b>	3,057.49	2,427.74	641.88	6,902.59	2,507.33
<b>VI</b>	<b>Exceptional Items</b>	4,552.41	5,132.93	-	9,685.34	-
<b>VII</b>	<b>Profit/(Loss) Before Tax (V+/-VI)</b>	<b>7,609.90</b>	<b>7,560.67</b>	<b>641.88</b>	<b>16,587.93</b>	<b>2,507.33</b>
<b>VIII</b>	<b>Tax Expense</b>					
	(a) Current tax	-	-	-	-	-
	(b) Taxes for Earlier Years	(0.55)	-	-	(0.55)	(399.69)
	(c) Deferred tax	-	-	-	-	-
	<b>Total Tax Expense</b>	<b>(0.55)</b>	<b>-</b>	<b>-</b>	<b>(0.55)</b>	<b>(399.69)</b>
<b>IX</b>	<b>Profit/(Loss) For The Period (VII-VIII)</b>	<b>7,610.45</b>	<b>7,560.67</b>	<b>641.88</b>	<b>16,588.48</b>	<b>2,907.02</b>
<b>X</b>	<b>Other Comprehensive Income/(Loss)</b>					
	(a) Items that will not be reclassified to Profit & Loss					
	(i) Remeasurement gain /(loss) in respect of the defined benefit plans	(4.00)	(9.13)	(19.16)	(31.40)	(36.53)
	(ii) Tax on remeasurement gain /(loss) in respect of defined benefit plans	-	-	-	-	-
	(b) Items that will be reclassified to Profit & Loss	-	-	-	-	-
	<b>Total Other Comprehensive Income/(Loss) For The Period [(a) +(b)]</b>	<b>(4.00)</b>	<b>(9.13)</b>	<b>(19.16)</b>	<b>(31.40)</b>	<b>(36.53)</b>
<b>XI</b>	<b>Total Comprehensive Income/(Loss) For The Period (IX+X)</b>	<b>7,606.45</b>	<b>7,551.54</b>	<b>622.72</b>	<b>16,557.08</b>	<b>2,870.49</b>
<b>XII</b>	<b>Paid-up Equity Share Capital (Face value of Rs. 10/- per Share)</b>	18,534.00	18,183.41	15,862.18	18,534.00	15,862.18
<b>XIII</b>	<b>Other Equity as per Balance Sheet</b>				30,102.39	(3,784.56)
<b>XIV</b>	<b>Earnings Per Equity Share of Rs. 10 /- Each (not annualized)</b>					
	(a) Basic (Rs.)	4.11	4.36	0.41	9.72	2.03
	(b) Diluted (Rs.)	4.01	4.29	0.40	9.48	1.98

**Notes :**

- 1 The above standalone results have been reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on May 16, 2023. The Statutory Auditors have expressed qualified audit opinion.
- 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 The Company expects to restart the grain distillery plant during the next 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.

**5 Exceptional Items include the following :**

**Rs in lacs**

a) The Company had remitted USD 11,00,011.89 equivalent of Rs. 925 lacs on October 13, 2022 to its supplier, Cargill International SA, against credit balance outstanding of Rs 6,057.93 lacs (equivalent USD 74,28,300) as on September 30, 2022 on receipt of the statutory approval from Reserve Bank of India dated October 06, 2022, towards the Settlement Agreement entered into between the Company and Cargill International SA, wherein it was mutually agreed, inter alia, that the principal outstanding amount of USD 74,28,300 would be settled in full and final at USD value equivalent of Rs. 925 lacs. Consequent to the full and final payment, in the quarter ended Dec 2022, the Company had written back Rs 5,132.93 lacs being the difference between the settlement amount and the total dues outstanding in the books of accounts. The same is disclosed under exceptional items in the quarter ended December 31, 2022 and year ended March 31, 2023.

5,132.93

b) The Company had entered into a Master Restructuring Agreement (MRA) dated February 06, 2020 with Edelweiss Asset Reconstruction Company Limited (EARC) acting as Trustee of three trusts i.e EARC Trust SC 233, EARC Trust SC 241 and EARC Trust SC 269 with respect to restructuring of the debts owed to some of the lender banks and a Financial Institution by the Company. Accordingly, the total debt owed by the Company of Rs. 52,332.37 lacs was restructured by EARC at Rs. 34,447.23 lacs as Sustainable Debt and Balance Debt of Rs. 17,885.14 lacs. A part of Balance Debt was subsequently converted into equity. The Company had been regularly paying the stipulated principal and interest of the restructured debt to all the three EARC trusts from 2020 onwards till date in accordance with the repayment schedule of MRA. During the quarter ended March, 2023, the Company made a prepayment of the entire outstanding principal along with accrued interest of Rs 54.10 crores towards EARC Trust SC 233 and EARC Trust SC 269. As per terms of restructuring by EARC, the Balance Debt would remain outstanding till the time the restructured debt was repaid. The Balance Debt along with accrued interest was to be waived by EARC once the restructured debt had been repaid. Consequent to the above prepayment, the corresponding Balance debt of the two trusts i.e EARC Trust SC 233 and EARC Trust SC 269 aggregating to Rs. 12,662.70 lacs has been waived by EARC and accordingly the same has been written back by the Company in the quarter and year ended March 31, 2023. The total existing debt of EARC as on March 31, 2023 now stands reduced to Rs 18,759.13 lacs (including Balance Debt of Rs 362.45 lacs) representing debt of EARC Trust SC 241 only.

12,662.70

c) During the year 2017-2018 and thereafter, many of the bottling tie up arrangements with "PunjabExpo Breweries Private Ltd" a wholly owned subsidiary (referred as PE) were not renewed leading to a severe fall in its operations. Further, there was a considerable drop in its existing business in Canteen Stores Department in the Northern Markets. To stay float, it entered into bottling arrangements with the Holding Company (TI) for its northern and export markets. However, due to lower capacity utilisation, the bottling income from 2018-19 onwards was insufficient to cover the fixed costs leading to increased losses. Over the years, the net worth of PE has been fully eroded despite attempts to rationalize its administrative overheads. Further, TI was actively exploring the possibility of entering the northern civil markets where PE would be one of the major sources of supply. It was also in discussions with other brand owners in Northern Markets to enter into bottling arrangements. This would have significantly improved the capacity utilisation and have favourable impact on the profitability of PE. The discussions with various parties did not concretely materialise post covid situation. Despite its best efforts, PE could not increase its business. TI management has assessed the current situation and has arrived at the conclusion that there is no sufficient visibility on PE northern business and return on investments and recoverability of loans and advances is doubtful. Hence, TI has provided for impairment of the equity investments in PE of Rs 2,680.39 lacs, advances of Rs 3,320.75 lacs and loan of Rs 565.79 lacs aggregating to Rs. 6,566.94 lacs in its books of accounts. The same is accounted under exceptional items for the quarter and year ended March 31, 2023.

-6,566.94

d) Consequent to the provision of the capex expansion project cost of Rs 10,021.69 lacs, in the books of Prag Distillery Pvt Ltd a wholly owned subsidiary, in the quarter and year ended March 31, 2023 (refer Note No 5 (c) ) in the consolidated financial results, the net worth of Prag has been fully eroded. Hence, the Company has recorded impairment provision on the equity investments made in Prag of Rs 1,543.35 lacs in its books of accounts. The same is disclosed under exceptional items in the quarter and year ended March 31, 2023.

-1,543.35

**Net Exceptional Income**

**9,685.34**

- 6 The Board of Directors of Tilaknagar Industries Limited ("TI" or the Transferee Company") at their Board Meeting held on May 30, 2022, have inter alia, approved the Composite Scheme of Amalgamation ("the scheme") under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 read with relevant rules & regulations framed thereunder. The Scheme, inter alia, provides for amalgamation by way of absorption and vesting of four wholly-owned subsidiaries of the Company, viz. (i) Kesarval Spring Distillers Private Limited ("KSDPL"); (ii) Mykingdom Ventures Private Limited ("MVPL"); (iii) Shrirampur Grains Private Limited ("SGPL"); and (iv) Studd Projects Private Limited ("SPPL") [hereinafter collectively referred to as the "Transferor Companies" and individually referred to as the "Transferor Company"] with and into TI.

The "appointed date" as per the scheme is the 1st day of April, 2022 or such other date as may be approved by the Honourable National Company Law Tribunal(s), for the purposes of this Scheme. The Scheme as aforesaid shall be subject to necessary approvals by the Shareholders, Creditors, Jurisdictional Bench of National Company Law Tribunal ("NCLT") and such other statutory and regulatory approvals as may be required. Pending such approvals, the Results have been prepared without giving any effect to the said Scheme.

**7 During the year 2022-2023, after the requisite Board and shareholders' approval, the Company has allotted the following equity shares :-**

- a) 50,62,893 equity shares of face value of Rs 10/- each to promoters/promoter group at an issue price of Rs 53/- per equity share including a premium of Rs 43/- per share
- b) 99,99,988 equity shares of face value of Rs 10/- each to entities at an issue price of Rs 72/- per equity share including a premium of Rs 62/- per share,
- c) 1,05,26,315 equity shares of face value of Rs 10/- each to an entity at an issue price of Rs 95/- per equity share including a premium of Rs 85/- per share

**Further, the following warrants are outstanding as on March 31, 2023 :**

- a) 41,82,390 warrants issued to promoter groups on a preferential basis at an issue price of Rs 53/- per warrant including a premium of Rs 43/- per warrant.
- b) 18,05,556 warrants issued to non-promoter groups on a preferential basis at an issue price of Rs 72/- per warrant including a premium of Rs 62/- per warrant.

- 8 The Board of Directors at its meeting held on May 16, 2023 has proposed a final dividend of Rs.0.25 per equity share of Face value Rs. 10/- each for the financial year ended March 31, 2023.
- 9 The previous period figures have been regrouped and reclassified wherever necessary.

Standalone Audited Statement of Assets and Liabilities as at March 31, 2023

		(Rs. in lacs)	
Particulars		As at	As at
		31.03.2023	31.03.2022
		(Audited)	(Audited)
<b>A ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment		40,094.15	42,174.66
(b) Capital Work-in-Progress		10.62	-
(c) Right of Use Assets		219.17	17.74
(d) Other Intangible Assets		30.67	33.19
(e) Financial Assets			
(i) Investments		2,190.12	6,363.85
(ii) Loans		13.39	-
(iii) Other Financial Assets		2,549.22	3,826.91
(f) Deferred Tax Assets (Net)		-	-
(g) Other Non-Current Assets		461.96	730.45
(h) Non-Current Tax Assets (Net)		280.62	250.01
<b>Total Non-Current Assets</b>		<b>45,849.92</b>	<b>53,396.81</b>
<b>CURRENT ASSETS</b>			
(a) Inventories		11,620.93	7,164.04
(b) Financial Assets			
(i) Investments		2,206.98	-
(ii) Trade Receivables		33,256.51	23,051.93
(iii) Cash and Cash Equivalents		3,301.29	3,544.70
(iv) Bank Balance other than (ii) above		895.78	2,748.19
(v) Loans		107.41	640.40
(vi) Other Financial Assets		1,646.44	5,950.52
(c) Other Current Assets		1,660.82	1,753.30
<b>Total Current Assets</b>		<b>54,696.16</b>	<b>44,853.08</b>
<b>TOTAL ASSETS</b>		<b>1,00,546.08</b>	<b>98,249.89</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital		18,534.00	15,862.18
(b) Other Equity		30,102.39	(3,784.56)
<b>Total Equity</b>		<b>48,636.39</b>	<b>12,077.62</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings		2,400.65	38,099.47
(ii) Lease Liabilities		213.75	7.37
(iii) Other Financial Liabilities		6,427.29	4,018.06
(b) Provisions		306.79	320.08
(c) Deferred Tax Liabilities (net)		-	-
(d) Other Non-Current Liabilities		-	1,452.50
<b>Total Non-Current Liabilities</b>		<b>9,348.48</b>	<b>43,897.48</b>
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings		22,796.91	20,284.02
(ii) Lease Liabilities		28.34	13.04
(iii) Trade Payables			
Total outstanding dues of micro enterprises and small enterprises		3,432.63	2,107.08
Total outstanding dues of creditors other than micro enterprises and small enterprises		9,179.20	14,051.26
(iv) Other Financial Liabilities		2,668.20	1,270.48
(b) Provisions		3,364.62	2,619.38
(c) Current Tax Liabilities (Net)		-	-
(d) Other Current Liabilities		1,091.31	1,929.53
<b>Total Current Liabilities</b>		<b>42,561.21</b>	<b>42,274.79</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,00,546.08</b>	<b>98,249.89</b>



**TILAKNAGAR INDUSTRIES LTD.**

**Stanadalone Audited Statement of Cash Flow for the year ended March 31, 2023**

**(Rs. in lacs)**

	<b>Year Ended March 31, 2023</b>		<b>Year Ended March 31, 2022</b>	
	<b>(Audited)</b>		<b>(Audited)</b>	
<b>A) Cash flow from Operating activities</b>				
Net profit (Loss) before tax		<b>16,587.93</b>		<b>2,507.33</b>
Adjustment for:				
Exceptional Items-Creditors - Written Back	(5,132.93)		-	
Exceptional Items- unsustainable balance debts -Written Back	(12,662.71)		-	
Exceptional Items- Provision	8,110.29		-	
Depreciation / Amortisation	3,084.15		3,116.72	
Loss / (Profit) on sale of assets	(0.28)		(1.12)	
Unrealised (Gain) / Loss on Investment	(31.56)		-	
Loss / (Profit) on sale of Investment	(75.85)		(32.50)	
Excess provision written back	(270.79)		(417.37)	
Allowance for doubtful advances/ deposits	619.37		2,609.63	
Provision for non-moving and obsolete inventories	23.39		296.55	
Advances written off	6.29		36.26	
Bad Debts	20.93		-	
Sundry balance written back	-		(75.79)	
Expected Credit Loss / ( Write Back) on trade receivables	335.66		(242.60)	
Unrealised Foreign Exchange Fluctuation (Gain) / Loss	6.91		170.93	
Employee stock option expenses	349.55		364.91	
Finance costs	4,018.71		5,776.41	
Interest income	(250.27)	(1,849.14)	(181.13)	11,420.90
<b>Operating Profit before working capital changes</b>		<b>14,738.79</b>		<b>13,928.23</b>
Adjustment for:				
(Decrease)/ Increase in trade payables, current liabilities, provisions and other financial liabilities	6,814.81		(5,101.47)	
(Increase)/ Decrease in financial assets, loans and advances and other assets	1,955.15		4,467.25	
(Increase)/ Decrease in inventories	(4,480.28)		(320.84)	
(Increase)/ Decrease in trade receivables	(10,568.07)	<b>(6,278.39)</b>	(5,323.82)	<b>(6,278.88)</b>
Direct taxes (net) refund / (paid)		(30.06)		<b>476.45</b>
<b>Net Cash from Operating activities</b>		<b>8,430.34</b>		<b>8,125.80</b>
<b>B) Cash Flow from Investing activities</b>				
Purchase of property, plant and equipment	(958.97)		(328.63)	
Sale of property, plant and equipment	1.10		2.54	
Investment in Equity shares of other entity	(50.02)		-	
Investment in Subsidiary	-		(1,600.00)	
Purchase of investments -Mutual Fund	(8,499.58)		(6,999.65)	
Sale of investments - Mutual Fund	6,400.00		7,032.15	
(Increase) / Decrease in other bank balances	1,850.21		(2,562.17)	
Loans given to Employees	(15.00)		-	
Loans given to subsidiaries	(907.07)		(351.72)	
Interest received	250.27		181.13	
<b>Net Cash from Investing Activities</b>		<b>(1,929.06)</b>		<b>(4,626.35)</b>



TILAKNAGAR INDUSTRIES LTD.				
Stanadalone Audited Statement of Cash Flow for the year ended March 31, 2023				
(Rs. in lacs)				
	Year Ended March 31, 2023		Year Ended March 31, 2022	
	(Audited)		(Audited)	
<b>C) Cash Flow from Financing activities</b>				
Proceeds from issue of shares including application money	19,817.49		9,219.02	
Proceeds from borrowings	2,325.00		7,629.47	
Repayment of borrowings including current maturities	(24,942.51)		(12,368.11)	
Principal payment of lease liabilities	(52.91)		(51.84)	
Payment of Dividend	(160.96)		(11.85)	
Finance costs paid	(3,730.80)		(5,660.39)	
<b>Net Cash from Financing Activities</b>		<b>(6,744.69)</b>		<b>(1,243.70)</b>
<b>Net increase in Cash &amp; Cash equivalents ( A+B+C)</b>		<b>(243.41)</b>		<b>2,255.75</b>
Opening cash & cash equivalents		3,544.70		1,288.95
Closing cash & cash equivalents		<b>3,301.29</b>		<b>3,544.70</b>

**Notes :**

(a) Cash and cash equivalents comprises of	As at March 31, 2023	As at March 31, 2022
i) Balances with Banks		
In Current Accounts	406.13	3,513.11
ii) Short-Term Bank Deposits	2,885.92	23.06
(Maturity within 3 months)		
iii) Cash on Hand	9.24	8.53
	<b>3,301.29</b>	<b>3,544.70</b>

(b) The above standalone statement of cash flow have been prepared under the "Indirect Method" as set out in Ind AS 7, " Statement of cash flow "

(c) Figures of previous year have been regrouped, reclassified and recast, wherever considered necessary.

On behalf of the Board  
For Tilaknagar Industries Ltd.

Place: Mumbai  
Date : May 16, 2023

Amit Dahanukar  
Chairman & Managing Director  
DIN: 00305636


**Statement on Impact of Audit Qualifications (for audit report with modified opinion)  
submitted along with Annual Audited Financial Results (Standalone)**

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) Rs. in lakhs	Adjusted Figures (audited figures after adjusting for qualifications) Rs. in lakhs
	1	Turnover/Total income	2,47,563.54	2,47,563.54
	2	Total Expenditure	2,40,660.95	2,40,660.95
	3	Exceptional Item	9,685.34	9,685.34
	3	Net Profit/(Loss) after tax	16,588.48	16,588.48
	4	Earnings Per Share (In Rs.)	9.72	9.72
	5	Total Assets	1,00,546.08	1,00,546.08
	6	Total Liabilities	51,909.69	51,909.69
	7	Net Worth	48,636.39	48,636.39
	8	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil
II.	<b>Audit Qualification (each audit qualification separately):</b>			
	a.	<b>Details of Audit Qualification:</b>	(i) 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. 4 of the standalone annual financial results.	
	b.	<b>Type of Audit Qualification:</b>	Qualified Opinion	
	c.	<b>Frequency of qualification:</b>	Point (i) - Appearing eighth time	



*[Handwritten signature]*

*[Handwritten signature]*

d.	<b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b>	
(i)	<b>If management is unable to estimate the impact, reasons for the same:</b>	<b>Response to Point (II)(a)(i)</b>  The Company expects to restart the grain distillery plant during the financial year 2023-24 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.
(ii)	<b>Auditors' Comments on (i) or (ii) or(iii) above:</b>	Refer II (a) (i) above
<b>III. Signatories:</b>		
• CEO/Managing Director		
• CFO		
• Audit Committee Chairman		
• Statutory Auditor	For Harshil Shah & Company  Partner	
Place: Mumbai Date : May 16, 2023		

