



HARSHIL SHAH & COMPANY

Chartered Accountants

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Independent Auditor's Review Report on the Consolidated Unaudited Quarter and Half Year ended 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 consolidated financial results of **Tilaknagar Industries Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries and Associate (collectively referred to as "the Group") for the quarter and half year ended September 30, 2024 ("Consolidated Statement"), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Consolidated Statement, which is the responsibility of the Holding Company's management and approved by the Holding 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, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Consolidated Statement based on our review.
3. We conducted our review of the Consolidated 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 financial statements are free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations to the extent applicable.



4. This Consolidated Statement includes the results of Holding Company and its following Subsidiaries and Associate:

	Holding Company
1	Tilaknagar Industries Ltd
	Subsidiaries:
1	Prag Distillery (P) Ltd
2	Vahni Distilleries Pvt. Ltd
3	Punjab Expo Breweries Pvt. Ltd
4	Shivprabha Sugars Ltd
	Associate:
1	Mason & Summers Marketing Services Pvt. Ltd

5. Attention is invited to Note no. 5 of the Consolidated Statement where by The Holding Company has not carried out impairment assessment 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.
The above matter was also qualified in our report on the audited financial results for the quarter and year ended March 31, 2024.
6. Based on our review conducted and procedures performed as stated in paragraph 3 above, except for the possible effects of the matters described in paragraph 5 above and based on the consideration of the review report of the other auditors referred to in paragraph 8 below and, nothing has come to our attention that causes us to believe that the accompanying Consolidated Statement prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles 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.
7. We draw attention to Note no. 7 of the consolidated statement, describing the Search operations carried out by the Income tax authorities at some of the premises, plants and residences of Director of the Company in February 2024. Pending the outcome of the search proceedings, the consequent impact on the financial results for the quarter and half year ended September 30, 2024, if any, is currently not ascertainable.
Our conclusion is not modified in respect of this matter.



8. a. We did not review the interim financial statements/ information of 4 subsidiaries included in the consolidated statement whose Ind AS financial statements include total revenue of Rs. 678.59 lakhs and total profit of Rs. 34.99 lakhs including other comprehensive income for the quarter and half year ended September 30, 2024 as considered in the consolidated financial results. This interim financial information have been reviewed by other auditors whose reports have been furnished to us by the Management, and our conclusion on the Consolidated statement insofar as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of such auditors and the procedure performed by us as stated above. Our conclusion is not modified in respect of the above matter.

b. The Consolidated statement also include Group's share of loss/ profit Rs. Nil for the quarter and half year ended September 30, 2024 as considered in the Consolidated statement in respect of 1 Associate whose financial results have not been audited by us. The Financial information of the Associate is not available and the Group has provided its share of loss to the extent of the Investment. According to the information and explanation given to us by the management this financial information is not material to the Group. Our conclusion is not modified in respect of the above matter.

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

Himmat Sharma



Himmat Sharma
Partner
Membership No. 156501

Place: Mumbai
Date: November 04, 2024
ICAI UDIN:24156501BKDFOY5860

TILAKNAGAR INDUSTRIES LTD. (CIN: L15420PN1933PLC133303)

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

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

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(Rs. in Lacs except EPS)							
Statement of Consolidated Unaudited Financial Results for the Quarter & Half Year ended September 30, 2024							
	Particulars	Quarter ended			Half Year ended		Year ended
		30.09.2024 Unaudited	30.06.2024 Unaudited	30.09.2023 Unaudited	30.09.2024 Unaudited	30.09.2023 Unaudited	31.03.2024 Audited
I	Revenue from operations	82,332.16	66,476.20	75,018.04	1,48,808.36	1,39,015.80	2,95,826.04
II	Other Income	335.28	183.96	48.24	519.24	164.93	1,413.82
III	Total Income (I + II)	82,667.44	66,660.16	75,066.28	1,49,327.60	1,39,180.73	2,97,239.86
IV	Expenses						
	(a) Cost of materials consumed	18,843.21	16,762.85	17,624.84	35,606.06	32,645.32	69,219.72
	(b) Purchases of stock-in-trade	-	-	-	-	-	-
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(915.53)	(978.29)	540.44	(1,893.82)	619.27	1,661.33
	(d) Excise duty	44,846.62	35,169.82	39,579.45	80,016.44	73,167.44	1,56,430.74
	(e) Employee benefits expense	1,424.63	1,310.14	1,036.98	2,734.77	2,041.54	4,684.05
	(f) Finance costs	334.60	416.30	774.13	750.90	1,375.98	2,673.93
	(g) Depreciation and amortization expense	775.42	772.69	824.57	1,548.11	1,605.16	3,189.32
	(h) Other expenses	11,535.25	9,198.05	11,493.96	20,733.30	21,959.38	45,285.40
	Total expenses	76,844.20	62,651.56	71,874.37	1,39,495.76	1,33,414.09	2,83,144.49
V	Profit/(Loss) before exceptional items and tax (III-IV)	5,823.24	4,008.60	3,191.91	9,831.84	5,766.64	14,095.37
VI	Exceptional items (Net) (Refer Note No. 6)	-	-	512.45	-	512.45	(294.27)
VII	Profit/(Loss) Before Tax (V+/-VI)	5,823.24	4,008.60	3,704.36	9,831.84	6,279.09	13,801.10
VIII	Tax Expense						
	(a) Current tax	-	-	-	-	-	-
	(b) Taxes for Earlier Years	-	-	-	-	-	-
	(c) Deferred tax	-	-	-	-	-	-
	Total tax expense	-	-	-	-	-	-
IX	Profit/(Loss) for the period before share of Profit/(Loss) of associate (VII-VIII)	5,823.24	4,008.60	3,704.36	9,831.84	6,279.09	13,801.10
X	Share of Profit/(Loss) of associate	-	-	-	-	-	-
XI	Profit/(Loss) for the period (IX+X)	5,823.24	4,008.60	3,704.36	9,831.84	6,279.09	13,801.10
XII	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	(5.01)	(5.01)	(10.86)	(10.02)	(21.71)	(20.04)
	(ii) Net Gain / (Loss) on Fair Value through OCI - Equity Securities	(27.11)	-	-	(27.11)	-	-
	(iii) Tax on above	-	-	-	-	-	-
	(b) Items that will be reclassified to Profit & Loss	-	-	-	-	-	-
	Total Other Comprehensive Income/(Loss) for the period [(a) +(b)]	(32.12)	(5.01)	(10.86)	(37.13)	(21.71)	(20.04)
XIII	Total Comprehensive Income/(Loss) for the period (XI+XII)	5,791.12	4,003.59	3,693.50	9,794.71	6,257.38	13,781.06
XIV	Profit/Loss for the period attributable to						
	(a) Owners of the Company	5,823.24	4,008.60	3,704.36	9,831.84	6,279.09	13,801.10
	(b) Non-Controlling Interests	-	-	-	-	-	-
XV	Other Comprehensive Income/(Loss) for the period attributable to						
	(a) Owners of the Company	(32.12)	(5.01)	(10.86)	(37.13)	(21.71)	(20.04)
	(b) Non-Controlling Interests	-	-	-	-	-	-
XVI	Total Comprehensive Income/(Loss) for the period attributable to						
	(a) Owners of the Company	5,791.12	4,003.59	3,693.50	9,794.71	6,257.38	13,781.06
	(b) Non-Controlling Interests	-	-	-	-	-	-
XVII	Paid-up Equity Share Capital (Face value of Rs. 10/- per Share)	19,295.64	19,280.51	19,172.75	19,295.64	19,172.75	19,273.04
XVIII	Other Equity as per Balance Sheet						46,115.72
XIX	Earnings Per Equity Share of Rs. 10/- each (not annualized)						
	(a) Basic (Rs.)	3.02	2.08	1.93	5.10	3.31	7.23
	(b) Diluted (Rs.)	2.99	2.06	1.91	5.05	3.24	7.16

Notes :

- 1 The above consolidated results have been reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on November 4, 2024. The Statutory Auditors have expressed qualified 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 above results have been prepared by the Company in accordance with IND-AS 110: Consolidated Financial Statements and IND-AS 28: Accounting for Investments in Associate in Consolidated Financial Statements prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.
- 4 The Group 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.
- 5 The Parent Company expects to restart the grain distillery plant post incurring of relevant capital expenditure. 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 **Exceptional Items in the year ended March 31, 2024 includes :**

	Income / (Expenses) Rs in lacs
a During the quarter ended September 30, 2023, the Company has made a pre-payment of the Restructured debt of Edelweiss Asset Reconstruction Company (EARC) acting as trustee of EARC Trust SC 241. Accordingly, the total Restructured debt of Rs. 17,622 lacs as on June 30, 2023 of EARC Trust SC 241 now stands reduced to Rs. Nil. Consequent to the above prepayment, the corresponding Balance debt of EARC Trust SC 241 of Rs. 362.45 lacs has been waived by EARC and has been written back by the Company along with a discount of Rs 150 lacs on the Restructured debt received from EARC at the time of pre-payment. The Company has now completely repaid the Restructured debt of all the three EARC Trusts i.e EARC Trust SC 233, EARC Trust SC 241 and EARC Trust SC 269 as per the Master Restructuring Agreement (MRA) dated February 06, 2020 and stands discharged of all liabilities, dues, demands or claims in respect of the Restructured Facilities.	512.45
b During the quarter and year ended March 31, 2024, Prag Distillery (P) Ltd (Prag), a wholly owned subsidiary, has written off Trade Receivables of Rs. 586.55 lacs and Earnest Money Deposit of Rs 182.05 lacs receivable from Andhra Pradesh Beverage Corporation Ltd. (the Corporation) and other receivables of Rs 38.12 lacs .	-806.72

Total expenses in exceptional Items (Net) in the year ended March 31, 2024

-294.27

- 7 The Income-Tax authorities ("the department") had conducted search activity during the month of February 2024 at some of the premises, plants and residences of Director of the Parent Company. The Company extended full cooperation to the Income-tax officials during the search and provided required details, clarifications, and documents. As on the date of issuance of these Quarter ended financial results, the Company has not received any written communication from the department regarding the outcome of the search, therefore, the consequent impact on the Quarter ended Sept 30, 2024 financial results, if any, is not ascertainable.
The Management, after considering all available records and facts known to it, is of the view that there is no material adverse impact on the financial position of the Company and no material adjustments are required to these financial results for the quarter ended Sept 30, 2024 in this regard.
- 8 The Revenue from Operations includes Rs 1035.74 lacs for the quarter ended Sept 30, 2024 and Rs 1592.13 lacs for the half year ended Sept 2024 received as partial Subsidy from Government of Maharashtra under Package Scheme of Incentives, 2007, relating to past investments.
- 9 During the quarter ended Sept 2024, the Finance Committee of the Board of Directors approved a follow-on investment of Rs. 1315 lacs Spaceman Spirits Lab Private Limited ("SSL"), makers of premium Indian craft gin Samsara and craft rum Sitara. The Company shall invest Rs. 1315 lacs across 3 tranches over an 18 month period by subscribing to (a) 2,546 Equity Shares and (b) 16,890 Compulsory Convertible Preference Shares ("CCPS"). Earlier, the Company had executed a Share Subscription and Investment Agreement on 27th March 2023, against which the Company had subscribed to 6,636 Equity Shares and 7,374 CCPS of SSL equivalent to 10% of share capital on a fully diluted basis for INR 9.75 crores. The total shareholding percentage of the Company in SSL after the proposed investment shall stand increased to 20.02% (on a fully diluted basis). The first tranche of investment of Rs 399.99 lacs was made on Sept 20, 2024.
- 10 During the quarter ended Sept 2024, the Finance Committee of the Board of Directors approved an investment of Rs. 8.03 Crores in Round the Cocktails Private Limited ("Bartisans") which is a 'ready to pour' beverage company, engaged in the business of developing, producing, marketing and selling non-alcoholic beverages which can be mixed with alcohol to create cocktails, and can also be consumed on their own as mocktails. The Company shall invest Rs. 8.03 Crores by (a) Subscribing to 2,352 Compulsory Convertible Preference Shares ("CCPS") and 1 equity share of Bartisans equivalent to 13.52% of share capital on a fully diluted basis for INR 3 crores; and (b) Purchasing from existing shareholders, 163 equity shares and 3,781 CCPS of Bartisans equivalent to 22.65% of share capital on a fully diluted basis for INR 5.03 crores. In aggregate, the Company will own 36.17% of the share capital of Bartisans on a fully diluted basis post this investment. The investment of Rs 8.03 crores has been made on October 03, 2024.
- 11 The Standalone and Consolidated unaudited financial results of the Company for the quarter and half year ended Sept 30, 2024 are available on the Company's website (www.tilind.com) and on the website of BSE (www.bseindia.com) and NSE (www.nseindia.com).
- 12 The previous period figures have been regrouped and reclassified wherever necessary.

Consolidated Unaudited Statement of Assets and Liabilities as at September 30, 2024

Particulars	(Rs. in lacs)	
	As at 30.09.2024	As at 31.03.2024
	(Unaudited)	(Audited)
A ASSETS		
NON-CURRENT ASSETS		
(a) Property, Plant and Equipment	38,158.76	39,410.51
(b) Capital Work-in-Progress	28.32	28.32
(c) Right of Use Assets	154.26	177.64
(d) Other Intangible Assets	42.24	45.04
(e) Financial Assets		
(i) Investments	1,451.65	1,078.77
(ii) Loans	0.44	11.55
(iii) Other Financial Assets	2,648.25	2,639.10
(f) Deferred Tax Assets (Net)	-	-
(g) Other Non-Current Assets	774.69	562.41
(h) Non-Current Tax Assets (Net)	714.50	538.07
Total Non-Current Assets	43,973.11	44,491.41
CURRENT ASSETS		
(a) Inventories	12,504.70	10,083.29
(b) Financial Assets		
(i) Investments	4,969.00	99.08
(ii) Trade Receivables	44,519.07	41,849.84
(iii) Cash and Cash Equivalents	4,275.72	1,031.53
(iv) Bank Balance other than (iii) above	2,238.83	3,148.35
(v) Loans	2.25	4.93
(vi) Other Financial Assets	926.27	217.12
(c) Other Current Assets	3,146.21	2,418.48
Total Current Assets	72,582.05	58,852.62
TOTAL ASSETS	1,16,555.16	1,03,344.03
B EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share Capital	19,295.64	19,273.04
(b) Other Equity		
(i) Equity Attributable to Owners of the Company	55,239.55	46,115.72
(ii) Non-Controlling Interests	-	-
Total Equity	74,535.19	65,388.76
LIABILITIES		
NON-CURRENT LIABILITIES		
(a) Financial Liabilities		
(i) Borrowings	4,509.59	6,310.30
(ii) Lease Liabilities	141.50	181.86
(iii) Other Financial Liabilities	5,496.81	5,496.81
(b) Provisions	447.84	403.62
(c) Deferred Tax Liabilities (Net)	-	-
(d) Other Non-Current Liabilities	-	-
Total Non-Current Liabilities	10,595.74	12,392.59
CURRENT LIABILITIES		
(a) Financial Liabilities		
(i) Borrowings	4,727.12	5,614.88
(ii) Lease Liabilities	57.94	36.77
(iii) Trade Payables		
Total outstanding dues of micro, small enterprises	3,098.09	2,605.97
Total outstanding dues of creditors other than micro enterprises and small enterprises	11,219.61	9,460.64
(iv) Other Financial Liabilities	7,971.97	4,601.84
(b) Provisions	3,322.54	2,281.75
(c) Current Tax Liabilities (Net)	-	-
(d) Other Current Liabilities	1,026.96	960.83
Total Current Liabilities	31,424.23	25,562.68
TOTAL EQUITY AND LIABILITIES	1,16,555.16	1,03,344.03

TILAKNAGAR INDUSTRIES LTD.

Consolidated Unaudited Statement of Cash Flow for the Half year ended September 30, 2024

	Half Year ended September 30, 2024		Half Year ended September 30, 2023	
				(₹ in lacs)
A) Cash flow from Operating activities				
Net profit (Loss) before tax		9,831.84		6,279.09
Adjustment for:				
Exceptional Items- Loan Written Back	-		(512.45)	
Depreciation & Amortisation	1,548.11		1,605.16	
Unrealised (Gain) / Loss on Investment	(68.78)		(5.82)	
Loss / (Profit) on sale of investments	(51.63)		(60.06)	
Excess Provision written back	(64.90)		(8.94)	
Allowance for doubtful advances/ Deposits	77.17		536.87	
Sundry balances written back	(41.95)		(1.08)	
Expected Credit Loss / (Written back) on trade receivables	161.18		294.10	
Unrealised Foreign Exchange Fluctuation (Gain) / Loss	3.87		0.22	
Employee stock option expenses	213.62		94.26	
Finance Costs	750.90		1,375.98	
Dividend Income	-		(0.03)	
Interest income	(55.98)	2,471.61	(82.30)	3,235.91
Operating Profit before working capital changes		12,303.45		9,515.00
Adjustment for:				
(Decrease)/ Increase in trade payables, current liabilities, provisions and other financial liabilities	5,823.60		(206.29)	
(Increase)/ Decrease in financial assets, loans and advances and other assets	(1,735.48)		(562.22)	
(Increase)/ Decrease in Inventories	(2,421.42)		155.10	
(Increase)/ Decrease in trade receivables	(2,792.33)	(1,125.63)	(4,224.96)	(4,838.37)
Direct taxes (net) refund / (paid)		(176.44)		(141.72)
Net Cash from Operating activities		11,001.38		4,534.91
B) Cash Flow from Investing activities				
Purchase of property, plant and equipment including CWIP	(265.17)		(603.18)	
Investment in equity shares of other entity	(399.99)		(1,024.98)	
Purchase of investments in Mutual Fund	(9,749.51)		(3,343.51)	
Sale of investments in Mutual Fund	5,000.00		4,700.00	
(Increase) / Decrease in other bank balances	909.52		(1,579.49)	
Repayment of Loans given to Employees	13.80		-	
Dividend received	-		0.03	
Interest Received	55.98		82.30	
Net Cash from Investing Activities		(4,435.37)		(1,768.83)
C) Cash Flow from Financing activities				
Proceeds from Issue of Share warrents / ESOP	102.88		2,768.91	
Proceeds from borrowings	50.11		14,075.00	
Repayment of borrowings	(2,868.29)		(20,304.58)	
Principal payment of lease liabilities	(33.73)		(30.48)	
Payment of dividend / unclaimed dividend	-		(0.81)	
Finance costs paid	(572.79)		(1,263.95)	
Net Cash from Financing Activities		(3,321.82)		(4,755.91)
Net increase in Cash & Cash equivalents(A+B+C)		3,244.19		(1,989.83)
Opening cash & cash equivalents		1,031.53		3,481.43
Closing cash & cash equivalents		4,275.72		1,491.60

TILAKNAGAR INDUSTRIES LTD.

Consolidated Unaudited Statement of Cash Flow for the Half year ended September 30, 2024

Notes :

	As at Sept 30, 2024	(₹ in lacs) As at Sept 30, 2023
(a) Cash and cash equivalents comprises of		
i) Balances with Banks		
In Current Accounts	4,041.63	1,245.32
ii) Short-Term Bank Deposits (Maturity within 3 months)	209.48	228.15
iii) Cash on Hand	24.61	18.13
	<u>4,275.72</u>	<u>1,491.60</u>

(b) the above Consolidated 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 : November 04, 2024

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