

TIL Limited

CIN : L74999WB1974PLC041725

Registered Office:

1, Taratolla Road, Garden Reach

Kolkata-700 024

Ph : 6633-2000, 6633-2845

Fax : 2469-3731/2143

Website : www.tilindia.in

15th December, 2022

The Manager,
Listing Department
National Stock Exchange of India Ltd.,
Exchange Plaza, C-1, Block - G,
Bandra Kurla Complex, Bandra (E),
Mumbai 400 051

The Secretary,
Listing Department
BSE Ltd.,
P.J. Towers,
Dalal Street, Fort,
Mumbai 400001.

Stock Code: TIL

Scrip Code: 505196

Dear Sir,

Re: Outcome of Board Meeting of TIL Limited ("the Company") Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR)

We wish to inform you that the Board of Directors of the Company at its Meeting held today, 15th December, 2022 has inter-alia Considered and approved the following the Unaudited Financial Results (both standalone and consolidated) for the second quarter and six months period ended on 30th September, 2022.

In this regard we are enclosing herewith the Unaudited Financial Results (Standalone and Consolidated) of the Company together with the Limited Review Report issued by the Statutory Auditors of the Company for the second quarter and six months period ended on 30th September, 2022.

Kindly take the above in your records.

Thanking you,

Yours faithfully,
For TIL LIMITED


SEKHAR BHATTACHARJEE
COMPANY SECRETARY

Encl. As above

Limited Review Report on the Quarterly Unaudited Standalone Financial Results of TIL Limited pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
TIL Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of TIL Limited (the 'Company') for the quarter ended September 30, 2022 and year to date from April 1, 2022 to September 30, 2022 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulation').
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, (Ind AS 34) "Interim Financial Reporting" 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 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 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.

Basis for Qualified Conclusion

4. We draw attention to the following matters:
 - (a) Note No. 3 of the accompanying statement which states that the company has incurred a cash loss of Rs. 2020 lakhs during the quarter and its net worth is negative. Moreover, the Company's current liabilities also exceeds its current assets as at the 30th September 2022. In view of the acute financial crisis faced by the Company, some of the lenders declared the loan facilities granted to the Company as a Non-Performing Asset (NPA). Further, the Company had also received an advance notice for application under the Insolvency and Bankruptcy Code 2016 from one of the lenders, Bank of India, on August 12 2022. Subsequently, the Bank has filed an application under Section 7 of the IBC before the Hon'ble National Company law Tribunal on 28th September 2022. The application is yet to be admitted. On 7th December, 2022 TIL has submitted its objections and the matter will be heard on 11th January, 2023. Further, the Board of Directors has approved a resolution plan at its meeting held on 26th November, 2022 subject to approval of the lenders.
The above situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, the management of the company has been considering the feasibility and effectiveness of the certain planned actions including proposed investment & proposed resolution plan and considering the sales orders in hand, the management has concluded that the material uncertainties are expected to be mitigated and hence the standalone financial results have been prepared on a going concern

basis. The appropriateness of the assumption of going concern is dependent on successful outcome of proposed investment by the investor and proposed resolution plan as stated above. Hence, we are unable to comment on whether the Company will be able to continue as Going Concern.

- (b) Note No.6 of the accompanying statement regarding carry forward of Minimum Alternate Tax Credit of Rs. 3026 Lakhs as on September 30, 2022 (a component of deferred tax asset in the financial statements) which was accounted for in the earlier years. In the opinion of the management sufficient future taxable profit will be available against which these unused tax credits can be utilised within the stipulated period under the provisions of Income Tax Act 1961. However, we are unable to comment for utilisation of said MAT credit in absence of basis for reasonable certainty supported by convincing evidence.
- (c) Note No.8 of the accompanying statement regarding Stock in Transit which includes materials valuing Rs. 3585 lakhs lying in Bonded Warehouse/ at Port as on September 30, 2022 which also includes Rs. 3003 Lakhs imported in the earlier years. These inventories could not be released from the authorities due to non-payment of custom duty, other charges etc. The management does not expect any material loss on account of any obsolescence in these said stocks due to passage of time and no provision is considered necessary. However, as these materials are lying for a considerable period of time and due to non-availability of its technical assessment, we are unable to comment whether any provision for obsolescence are required in this regard.
- (d) Note No. 10 of the accompanying statement regarding an enquiry by "Directorate of Revenue Intelligence & Enforcement" (DRI) ongoing since June 2021 in respect to certain trading transactions and other matters related to earlier years and the Company has since complied with the requirements of the DRI. The Company has received an Investigation report dated 20th July 2022 on 7th November, 2022 from DRI. Further based on the Investigation report from DRI, Intimations from GST Authority were received on 7th November, 2022(for FY 2019-20) & on 10th November, 2022 (for FY 2020-21) for payment of tax/interest/penalty amounting to Rs. 928.90 Lakhs & Rs. 3290.79 lakhs respectively under Section 74(5) of the GST Act. The intimation under section 122(1)(ii) is yet to be received from the GST authorities. The Company has sought time for filing its reply to the said intimations. The company is of the view that the demand raised by GST authorities does not have merit and will be set aside. In view of this, no provision is considered necessary by the management.
- (e) Trade receivables, Advances to Suppliers, Trade Payable and Advances from customers amounting to Rs. 2275 lakhs, Rs. 937 lakhs, Rs. 10203 lakhs and Rs.3476 lakhs respectively were outstanding as on September 30,2022. The Company could not get necessary confirmations from the respective parties and due to no material subsequent movement in such balances, alternate procedure to verify those balances could also not be performed. Further, the Company could not get confirmations for Loans from banks/financial institution/bodies corporate to extent of Rs. 7016 Lakhs lying outstanding as on 30th September 2022. Hence, we are unable to comment on the correctness of above figures and if any adjustments are required to the said balances as on September 30,2022 and related impact on these Standalone Financial Results.
- (f) During the previous year, the management had engaged an external party to physically verify its inventory who had covered 59% of Inventory lying as on 28th February 2022 for the verification & value assessment and necessary adjustments were made in the books of account in the previous year ended 31st March 2022. The management does not expect any further



shortages or obsolescence in the balance 41% inventory not covered as stated above and hence, in the opinion of the management, no further provision is considered necessary.

However, as mentioned in Note 7, the management has engaged an external party to physically verify 100% of its inventory which is in process as on date and pending outcome of such physical verification, we are unable to determine whether any further adjustment is required in this regard.

- (g) The Company has not carried out fair valuation of interest free loans from the promoters/ promoter's group of companies and other lenders aggregating to Rs. 15920 lakhs as required under Ind AS-109 and its impact on financial results has not been ascertained by the management. In absence of fair valuation of above interest free loans, we are unable to determine its impact on the standalone financial results.

The impact of above matters (a) to (g) on the accompanying standalone financial results is presently not ascertainable.

Qualified Conclusion

5. Based on our review conducted as above, except for the possible effects of our observations 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 applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of the Listing Regulation, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other Matter

6. The opening balances as on 1st April, 2022 have been considered based on audited financial statements of the Company for the year ended March 31, 2022 as approved by the Board of Directors in their meeting held on September 19, 2022 on which we had expressed disclaimer of opinion vide our audit report on that date.

Our conclusion is not modified in respect to above matter.

For Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

G L Choudhary

(G L Choudhary)
Partner
Membership No. 052112



UDIN: 22052112BFMQCG8189

Place: Kolkata
Date: December 15, 2022

TIL LIMITED

CIN : L74999WB1974PLC041725
 Regd. Office : 1, Taratolla Road, Garden Reach, Kolkata - 700024
 Phone : +91 33 6633 2000 / 2845. Fax : +91 33 2469 2143 / 3731
 Website : www.tilindia.in

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THREE MONTHS ENDED 30TH SEPTEMBER 2022

| Sl. No. | Particulars | Three months ended | | | Six months ended | | Twelve months ended | | |
|---------|---|---------------------|----------------|---------------------|------------------|---------------------|---------------------|-----------------|---------|
| | | 30th September 2022 | | 30th September 2021 | | 30th September 2022 | | 31st March 2022 | |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1. | Revenue from Operations | 152 | 1,535 | 1,664 | 1,687 | 2,689 | 6,499 | | |
| 2. | Other Income | 249 | 448 | 62 | 697 | 1,965 | 2,427 | | |
| I | Total Income (1+2) | 401 | 1,983 | 1,726 | 2,384 | 4,654 | 8,926 | | |
| 3. | Expenses | | | | | | | | |
| | a. Cost of Materials Consumed | 302 | 255 | 1,064 | 557 | 1,530 | 2,098 | | |
| | b. Purchases of Stock-in-Trade | 23 | 30 | 722 | 53 | 1,231 | 2,004 | | |
| | c. Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress | (348) | 1,039 | (921) | 691 | (1,557) | (1,021) | | |
| | d. Employee Benefits Expense | 922 | 1,064 | 1,471 | 1,986 | 2,938 | 5,531 | | |
| | e. Finance Costs | 945 | 931 | 917 | 1,876 | 1,876 | 3,616 | | |
| | f. Depreciation and Amortization Expense | 235 | 233 | 249 | 468 | 499 | 995 | | |
| | g. Other Expenses | 577 | 809 | 1,778 | 1,386 | 5,172 | 10,097 | | |
| II | Total Expenses | 2,856 | 4,381 | 5,280 | 7,017 | 11,689 | 23,320 | | |
| 4. | Profit / (Loss) Before Exceptional Items and Tax (I-II) | (2,255) | (2,378) | (3,554) | (4,633) | (7,035) | (14,394) | | |
| 5. | Exceptional Items | - | - | - | - | - | (25,953) | | |
| 6. | Profit / (Loss) Before Tax (4+5) | (2,255) | (2,378) | (3,554) | (4,633) | (7,035) | (40,347) | | |
| 7. | Tax Expenses | | | | | | | | |
| | a. Current Tax | - | - | - | - | - | 172 | | |
| | b. Income Tax relating to earlier years | - | - | - | - | - | 1,129 | | |
| | c. Deferred Tax | (101) | (56) | (344) | (157) | (177) | 1,301 | | |
| | Total Tax Expenses | (101) | (56) | (344) | (157) | (177) | (41,648) | | |
| 8. | Profit / (Loss) for the period / year (6-7) | (2,154) | (2,322) | (3,210) | (4,476) | (6,858) | | | |
| 9. | Other Comprehensive Income | | | | | | | | |
| | A. (i) Items that will not be reclassified to profit or loss | (19) | (20) | (4) | (39) | (8) | (79) | | |
| | (ii) Income Tax relating to items that will not be reclassified to profit or loss | 7 | 7 | 2 | 14 | 3 | 28 | | |
| | B. (i) Items that will be reclassified to profit or loss | - | - | - | - | - | - | | |
| | (ii) Income Tax relating to items that will be reclassified to profit or loss | - | - | - | - | - | - | | |
| | Total Other Comprehensive Income | (12) | (13) | (2) | (25) | (5) | (51) | | |
| 10. | Total Comprehensive Income for the period / year (8+9) | (2,166) | (2,335) | (3,212) | (4,501) | (6,863) | (41,699) | | |
| 11. | Paid up Equity Share Capital (Face Value ₹ 10/- each) | 1,003 | 1,003 | 1,003 | 1,003 | 1,003 | 1,003 | | |
| 12. | Reserves (Other Equity) | | | | | | | | |
| 13. | Earnings Per Share (of ₹ 10/- each) - Basic and Diluted (#) | (21.48) | (23.15) | (32.00) | (44.62) | (68.37) | (415.22) | | |

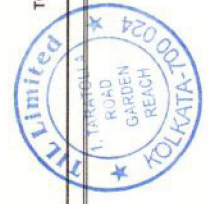
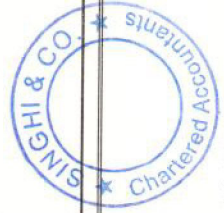
See accompanying notes to the Financial Results
 # Figures for three months and six months ended are not annualized.



Standalone Statement of Assets and Liabilities

₹ in Lakhs

| | As at 30th September 2022 | | As at 31st March 2022 | |
|--|---------------------------|----------|-----------------------|---------|
| | Unaudited | Audited | Unaudited | Audited |
| ASSETS | | | | |
| Non-Current Assets | | | | |
| (a) Property, Plant and Equipment | 9,997 | 10,546 | | |
| (b) Capital Work-In-Progress | 27 | 27 | | |
| (c) Right-of-use Assets | 942 | 1,268 | | |
| (d) Intangible Assets | 15 | 46 | | |
| (e) Investment in Subsidiary | 302 | 302 | | |
| (f) Financial Assets | - | - | | |
| (i) Investments | 40 | 582 | | |
| (ii) Other Financial Assets | 3,618 | 3,447 | | |
| (g) Deferred Tax Asset (Net) | 439 | 437 | | |
| (h) Income Tax Assets (Net) | 16 | 21 | | |
| (i) Other Non-Current Assets | 15,396 | 16,676 | | |
| Total Non-Current Assets | | | | |
| Current Assets | | | | |
| (a) Inventories | 15,379 | 16,457 | | |
| (b) Financial Assets | 8 | 8 | | |
| (i) Investments | 2,275 | 2,610 | | |
| (ii) Trade Receivables | 131 | 7 | | |
| (iii) Cash and Cash Equivalents | 471 | 364 | | |
| (iv) Bank Balances other than (iii) above | 344 | 266 | | |
| (v) Others | 1,714 | 1,720 | | |
| (c) Other Current Assets | 419 | - | | |
| Total Current Assets | 20,741 | 21,432 | | |
| TOTAL ASSETS | 36,137 | 38,108 | | |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| (a) Equity Share Capital | 1,003 | 1,003 | | |
| (b) Other Equity | (25,810) | (21,309) | | |
| Total Equity | (24,807) | (20,306) | | |
| Liabilities | | | | |
| Non-Current Liabilities | | | | |
| (a) Financial Liabilities | 15,809 | 17,760 | | |
| (i) Borrowings | 877 | 875 | | |
| (ii) Other Financial Liabilities | 481 | 512 | | |
| (b) Provisions | 17,167 | 19,147 | | |
| Total Non-Current Liabilities | 24,380 | 22,089 | | |
| Current Liabilities | | | | |
| (a) Financial Liabilities | 82 | 111 | | |
| (i) Borrowings | 303 | 382 | | |
| (ii) Lease Liabilities | 9,900 | 8,902 | | |
| (iii) Trade Payables | 1,438 | 431 | | |
| (iv) Total outstanding dues of micro enterprises and small enterprises | 7,635 | 7,313 | | |
| (v) Total outstanding dues of Creditors other than micro enterprises and small enterprises | 39 | 39 | | |
| (b) Other Financial Liabilities | 43,777 | 39,267 | | |
| (c) Provisions | 60,944 | 58,414 | | |
| Total Current Liabilities | 60,944 | 58,414 | | |
| Total Liabilities | 36,137 | 38,108 | | |
| TOTAL EQUITY AND LIABILITIES | | | | |



Unaudited Standalone Statement of Cash Flows for six months ended 30th September 2022

₹ in Lakhs

| Particulars | Period Ended 30.09.2022 | | Period Ended 30.09.2021 | |
|--|-------------------------|---------|-------------------------|---------|
| | | | | |
| A | | | | |
| Cash Flow from Operating Activities | | | | |
| Profit / (Loss) before Tax after Exceptional Items | | (4,633) | | (7,035) |
| Adjustments for: | | | | |
| Depreciation and Amortization Expense | 468 | | 499 | |
| Finance Costs | 1,876 | | 1,876 | |
| Net (Gain) / Loss on Fair Valuation of investments through Profit and Loss | - | | (1) | |
| Unrealized Foreign Exchange (Gain) / Loss (Net) | 52 | | 57 | |
| Provisions / Liabilities no longer required written back | (590) | | (68) | |
| Bad and Doubtful Trade Receivables / Advances / Claims | 579 | | 3,350 | |
| Interest Income | (12) | | (10) | |
| Dividend Income | - | | (1,886) | |
| (Profit) / Loss on Sale of Property, Plant & Equipment (Net) | (3) | | - | |
| Loss on Modification/Termination on Lease Assets | - | | 3 | |
| (Profit) / Loss on Fair Valuation of Derivatives not designated as Hedging Instruments through Profit and Loss | - | | - | |
| Operating Profit before Working Capital Changes | | 2,370 | | 3,820 |
| Changes in Working Capital | | (2,263) | | (3,215) |
| Trade Receivables, Loans, Advances and Other Assets | (328) | | 3,376 | |
| Inventories | 1,078 | | (4,285) | |
| Trade Payables, Other Liabilities and Provisions | 1,756 | | 1,777 | |
| Cash Generated from Operations | | 2,506 | | 868 |
| Income Tax (Paid) / Refund received (Net) | | 243 | | (2,347) |
| Net Cash Flows from / (used in) Operating Activities (A) | | 241 | | (1) |
| | | | | (2,348) |
| B | | | | |
| Cash Flow from Investing Activities | | | | |
| Purchase of Property, Plant and Equipment, Intangible Assets | - | | (8) | |
| Sale of Property, Plant & Equipment | - | | 1 | |
| Margin Money / Bank Deposits not considered as Cash and Cash Equivalents | 411 | | (30) | |
| Interest Received | 12 | | 10 | |
| Dividend Received | - | | 1,886 | |
| Net Cash Flows from / (used) in Investing Activities (B) | | 423 | | 1,859 |
| C | | | | |
| Cash Flow from Financing Activities | | | | |
| Repayment of Long Term Borrowings | | | | |
| Proceeds from Long Term Borrowings | 91 | | (818) | |
| Repayment of Lease Liabilities | (52) | | 3,437 | |
| Proceeds from Short Term Borrowings (Net) | 241 | | (33) | |
| Finance Costs Paid | (820) | | (374) | |
| Net Cash Flows from / (used in) Financing Activities (C) | | (540) | | (1,730) |
| Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C) | | 124 | | 482 |
| Cash and Cash Equivalents at the beginning of the year | | 7 | | (7) |
| Cash and Cash Equivalents at the end of the period | | 131 | | 13 |
| | | | | 6 |
| Cash and Cash Equivalents comprises | | | | |
| Cash in hand | | 1 | | 3 |
| Balance with Banks | | 130 | | 3 |
| | | 131 | | 6 |

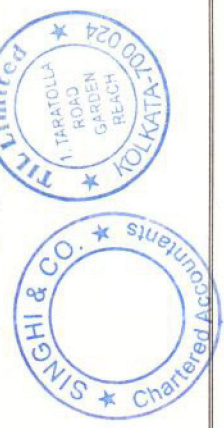
Note: The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
*Amount is below ₹ 50,000 (Rupees Fifty thousand)




Notes:

- 1 The above unaudited Standalone Financial Results, Balance Sheet and Cash Flows for six months ended 30th September 2022, drawn in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 15th December 2022 at Kolkata and have been subjected to "Limited Review" by the Statutory Auditors of the Company.
- 2 The Company is contemplating strategic investment by issue of 74,96,582 (Seventy Four Lakh Ninety Six Thousand Five Hundred Ninety Two) equity shares of face value of Rs. 10 (Rupees Ten) per share at a price of INR 92.40 (Rupees Ninety Two and forty Paise) per share through Preferential allotment in favour of Indcrest Defence Solutions Private Limited pursuant to the provisions of Regulation 164A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, subject to approval of the Shareholders & other requisite approvals. The Board of Directors of the Company has passed a resolution to this effect at its meeting held on 26th November 2022 & has also informed the Stock Exchanges under Regulation 30 of the SEBI (Listing and Disclosure Requirements) Regulations 2015.
- 3 The Company has incurred a further cash loss of Rs. 2,020 lakhs during the quarter and its net worth is also negative. Moreover, the Company's current liabilities also exceed its current assets as at 30th September 2022. In view of the acute financial crisis faced by the Company, some of the lenders have declared the loan facilities granted to the Company as a Non-Performing Asset (NPA). However, the lenders have also extended 'Holding on Operations' to the Company through a 'Trust & Retention Account' opened with the Lead Bank of the Consortium namely, Bank of India ('BOI').
As reported earlier, the Company had received an advance notice for application under the Insolvency and Bankruptcy Code 2016 from one of the lenders, Bank of India, on 12th August 2022. Subsequently, the Bank has filed an application under Section 7 of the IBC before the Hon'ble National Company Law Tribunal on 28th September 2022. The application is yet to be admitted. On 7th December 2022 TIL has submitted its objections and the matter will be heard on 11th January 2023. Further, the Board of Directors has approved a resolution plan at its meeting held on 26th November 2022 subject to approval of the lenders.
Though the above situation is indicative of a material uncertainty that may cast doubt on the Company's ability to continue as a going concern, but in view of the proposed strategic investment as stated in Note 2 above and proposed resolution plan together with sales orders in hand, the management has concluded that the material uncertainties are expected to be mitigated and hence the standalone financial statements have been prepared on a going concern basis.
- 4 Tata Capital Financial Services Limited & Aditya Birla Finance Limited have initiated SARFAESI proceedings against the Company for securitization of the Mortgage Properties namely, leasehold property situated at Sahibabad & ownership property situated at Chennai respectively towards recovery & satisfaction of their entire outstanding dues. Since the Board of Directors has approved surrender of the said properties, the same have been considered as "Assets held for Sale" in the books of the Company.
- 5 The Company had engaged an external valuer for conducting the fair valuation of its Property, Plant & Equipment in the previous year. Since the Fair Value of the Property, Plant and Equipment is higher than its carrying value as on the 30th September 2022, in the opinion of the management, no impairment provision is considered necessary.
- 6 The Company has carried forward Minimum Alternate Tax Credit of Rs. 3,026 Lakhs as on 30th September 2022 (a component of deferred tax asset in the financial statements) which was accounted for in the earlier years. In the opinion of the management sufficient future taxable profit will be available against which these unused tax credits can be utilized within the stipulated period under the provisions of Income Tax Act 1961.
- 7 The Company has engaged an external party to physically verify 100% of its inventory. This exercise is continuing as on date, and the shortage/ excess, if any, will be accounted for in the forthcoming quarter ending 31st December 2022.
- 8 Stock in Transit includes materials valuing Rs. 3,585 Lakhs lying in Bonded Warehouse/ at Port as on 30th September 2022 which also includes Rs.3,003 Lakhs imported in the earlier years. These inventories could not be released from the authorities due to non-payment of custom duty, other charges etc. The management does not expect any material loss on account of any obsolescence in these said stocks due to passage of time and no provision is considered necessary.
- 9 As reported earlier, pursuant to a complaint lodged against the Company with the Securities and Exchange Board of India (SEBI) alleging various accounting misstatements in the audited financial statements of the Company for the year ended 31st March 2021 and certain other matters, the 'Corporation Finance Investigation Department' (CFID) of SEBI had sought various information's from the Company vide their letter dated 31st March 2022. Later, based on the management audit report of an independent firm of chartered Accountant on the financial statements for the financial year 2019-20 & 2020-21 and based on an internal enquiry by the management, certain accounting adjustments were carried out during the quarter ended/year ended 31st March 2022 to rectify those accounting mistakes/ misstatements made in the books of accounts in the previous financial years. The standalone financial statements for the year ended 31st March 2022 were duly approved by the Board of Directors in their meeting dated 19th September 2022. The Company has further received a letter from SEBI dated 31st October 2022 seeking further information's which has since been replied by the Company on 4th November 2022. The Company has not received any further intimation from SEBI since then.
- 10 As reported earlier, an enquiry by 'Directorate of Revenue Intelligence & Enforcement' (DRI) has been ongoing since June 2021 in respect to certain trading transactions and other matters related to earlier years and the Company has since complied with the requirements of the DRI. The Company has received an investigation report dated 20th July 2022 on 7th November 2022 from DRI. Further based on the investigation report from DRI, intimations from GST Authority were received on 7th November 2022 (for FY 2019-20) & on 10th November 2022 (for FY 2020-21) for payment of tax/interest/penalty amounting to Rs. 928.90 Lakhs & Rs. 3,250.79 lakhs respectively under Section 74(5) of the GST Act. The intimation under section 122(1)(i) is yet to be received from the GST authorities. The Company has sought time for filing its reply to the said intimations. The Company is of the view that the demand raised by GST authorities does not have merit and will be set aside.
- 11 The Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. The operations of the Company pertain only to Material Handling Solution (i.e. manufacturing of various Material Handling Equipment Namely Mobile Cranes, Port Equipment, Self-Loading Truck Cranes, Road Construction Equipment etc. and dealing in spares and providing services to related equipment). Further the Company's principal geographical area is within India.
- 12 Figures for the previous periods / year have been regrouped / reclassified wherever necessary to conform to current periods classification.

Registered Office :
1, Taratolla Road,
Garden Reach
Kolkata 700 024.
Date : 15th December 2022




For TIL LIMITED
Sumit Mazumder
Chairman & Managing Director

Limited Review Report on the Quarterly Unaudited Consolidated Financial Results of TIL Limited pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
TIL Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of TIL Limited (“the Parent”) and its subsidiary (the Parent and its subsidiary together referred to as the ‘Group’) for the quarter ended September 30, 2022 and year to date from April 1, 2022 to September 30, 2022 (the “Statement”) attached herewith, being submitted by the Parent Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘the Listing Regulation’).
2. This Statement, which is the responsibility of the Parent Company’s Management and approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) “Interim Financial Reporting” 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 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 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the financial results of the Parent and the following entity:

| Name of the Entity | Relationship |
|--------------------------|-------------------------|
| TIL Overseas Pte Limited | Wholly Owned Subsidiary |

Basis for Qualified Conclusion

5. We draw attention to the following matters:
 - (a) Note No. 3 of the accompanying statement which states that the Parent Company has incurred a cash loss of Rs. 2020 lakhs during the quarter and its net worth is negative.



Moreover, the Parent Company's current liabilities also exceeds its current assets as at the 30th September 2022. In view of the acute financial crisis faced by the Company, some of the lenders declared the loan facilities granted to the Company as a Non-Performing Asset (NPA). Further, the Company had also received an advance notice for application under the Insolvency and Bankruptcy Code 2016 from one of the lenders, Bank of India, on August 12 2022. Subsequently, the Bank has filed an application under Section 7 of the IBC before the Hon'ble National Company law Tribunal on 28th September 2022. The application is yet to be admitted. On 7th December, 2022 TIL has submitted its objections and the matter will be heard on 11th January, 2023. Further, the Board of Directors of the Parent Company has approved a resolution plan at its meeting held on 26th November, 2022 subject to approval of the lenders.

The above situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, the management of the company has been considering the feasibility and effectiveness of the certain planned actions including proposed investment & proposed resolution plan and considering the sales orders in hand, the management has concluded that the material uncertainties are expected to be mitigated and hence the standalone financial results have been prepared on a going concern basis. The appropriateness of the assumption of going concern is dependent on successful outcome of proposed investment by the investor and proposed resolution plan as stated above. Hence, we are unable to comment on whether the Company will be able to continue as Going Concern.

- (b) Note No.6 of the accompanying statement regarding carry forward of Minimum Alternate Tax Credit of Rs. 3026 Lakhs as on September 30, 2022 (a component of deferred tax asset in the financial statements) which was accounted for in the earlier years. In the opinion of the management sufficient future taxable profit will be available against which these unused tax credits can be utilised within the stipulated period under the provisions of Income Tax Act 1961. However, we are unable to comment for utilisation of said MAT credit in absence of basis for reasonable certainty supported by convincing evidence.
- (c) Note No.8 of the accompanying statement regarding Stock in Transit which includes materials valuing Rs. 3585 lakhs lying in Bonded Warehouse/ at Port as on September 30, 2022 which also includes Rs. 3003 Lakhs imported in the earlier years. These inventories could not be released from the authorities due to non-payment of custom duty, other charges etc. The management does not expect any material loss on account of any obsolescence in these said stocks due to passage of time and no provision is considered necessary. However, as these materials are lying for a considerable period of time and due to non-availability of its technical assessment, we are unable to comment whether any provision for obsolescence are required in this regard.
- (d) Note No. 10 of the accompanying statement regarding an enquiry by "Directorate of Revenue Intelligence & Enforcement" (DRI) ongoing since June 2021 in respect to certain trading transactions and other matters related to earlier years and the Company has since complied with the requirements of the DRI. The Company has received an Investigation report dated 20th July 2022 on 7th November, 2022 from DRI. Further based on the Investigation report from DRI, Intimations from GST Authority were received on 7th November, 2022 (for FY 2019-20) & on 10th November, 2022 (for FY 2020-21) for payment of tax/interest/penalty amounting to Rs. 928.90 Lakhs & Rs. 3290.79 lakhs respectively



under Section 74(5) of the GST Act. The intimation under section 122(1)(ii) is yet to be received from the GST authorities. The Company has sought time for filing its reply to the

said intimations. The company is of the view that the demand raised by GST authorities does not have merit and will be set aside. In view of this, no provision is considered necessary by the management.

- (e) Trade receivables, Advances to Suppliers, Trade Payable and Advances from customers amounting to Rs. 2275 lakhs, Rs. 937 lakhs, Rs. 10203 lakhs and Rs.3476 lakhs respectively were outstanding as on September 30,2022. The Company could not get necessary confirmations from the respective parties and due to no material subsequent movement in such balances, alternate procedure to verify those balances could also not be performed. Further, the Company could not get confirmations for Loans from banks/financial institution/bodies corporate to extent of Rs. 7016 Lakhs lying outstanding as on 30th September 2022.

Hence, we are unable to comment on the correctness of above figures and if any adjustments are required to the said balances as on September 30, 2022 and related impact on these Consolidated Financial Results.

- (f) During the previous year, the management had engaged an external party to physically verify its inventory who had covered 59% of Inventory lying as on 28th February 2022 for the verification & value assessment and necessary adjustments were made in the books of account in the previous year ended 31st March 2022. The management does not expect any further shortages or obsolescence in the balance 41% inventory not covered as stated above and hence, in the opinion of the management, no further provision is considered necessary. However, as mentioned in Note 7, the management has engaged an external party to physically verify 100% of its inventory which is in process as on date and pending outcome of such physical verification, we are unable to determine whether any further adjustment is required in this regard.

- (g) The Company has not carried out fair valuation of interest free loans from the promoters/ promoter's group of companies and other lenders aggregating to Rs. 15920 lakhs as required under Ind AS-109 and its impact on financial results has not been ascertained by the management. In absence of fair valuation of above interest free loans, we are unable to determine its impact on the consolidated financial results.

The impact of above matters (a) to (g) on the accompanying consolidated financial results is presently not ascertainable.

Qualified Conclusion

6. Based on our review conducted as above and based on the consideration of the management certified financial information / financial results in case of the wholly owned subsidiary referred to in paragraph 7 below, except for the possible effects of our observations in paragraph 5 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 applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognized accounting practices and policies, has not disclosed the information required to be



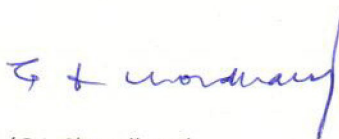
disclosed in terms of the Listing Regulation, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other Matters

7. The consolidated unaudited financial results include the interim financial information / financial results of one ("1") wholly owned foreign subsidiary which have not been reviewed by their auditors and have been certified by their management, whose interim financial information / financial results reflect total assets of Rs. 603 lakhs and net assets of Rs. 579 lakhs as at September 30, 2022, revenues of Rs. Nil and Rs. Nil, total net profit after tax of Rs. (-) 2 lakhs and Rs. Nil, total comprehensive income of Rs. 16 lakhs and Rs. 42 lakhs for the three months and six months ended on September 30, 2022 respectively and net cash inflows of Rs. (-)36 lakhs for the six months ended on September 30, 2022, as considered in the unaudited consolidated financial results. According to the information and explanations given to us by the management, these interim financial information / financial results are not material to the Group.
8. The opening balances as on 1st April,2022 have been considered based on audited financial statements of the Group for the year ended March 31,2022 as approved by the Board of Directors of the Parent Company in their meeting held on September 19,2022 on which we had expressed disclaimer of opinion vide our audit report on that date.

Our conclusion is not modified in respect to above matters.

For Singhi & Co.
Chartered Accountants
Firm Registration No.302049E



(G L Choudhary)
Partner
Membership No. 052112



UDIN: 22052112BFMQOP2247

Place: Kolkata
Date: December 15, 2022

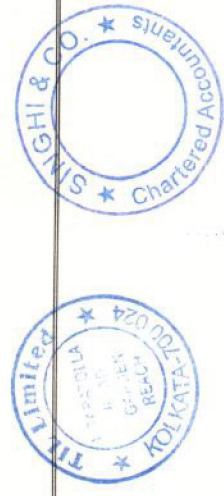
TIL LIMITED

CIN : L74999WB1974PLC041725
 Regd. Office : 1, Taratolla Road, Garden Reach, Kolkata - 700024
 Phone : +91 33 6633 2000 / 2845. Fax : +91 33 2469 2143 / 3731
 Website : www.tilindia.in

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THREE MONTHS AND SIX MONTHS ENDED 30TH SEPTEMBER 2022

| Sl. No. | Particulars | ₹ in Lakhs except Earnings Per Share | | | | | |
|---------|---|--------------------------------------|----------------|---------------------|---------------------|---------------------|-----------------|
| | | Three months ended | | Six months ended | | Twelve months ended | |
| | | 30th September 2022 | 30th June 2022 | 30th September 2021 | 30th September 2022 | 30th September 2021 | 31st March 2022 |
| 1. | Revenue from Operations | 152 | 1,535 | 1,665 | 1,687 | 2,813 | 6,624 |
| 2. | Other Income | 248 | 452 | 62 | 700 | 231 | 1,089 |
| I | Total Income (1+2) | 400 | 1,987 | 1,727 | 2,387 | 3,044 | 7,713 |
| 3. | Expenses | | | | | | |
| a. | Cost of Materials Consumed | 302 | 255 | 1,064 | 557 | 1,530 | 2,098 |
| b. | Purchases of Stock-In-Trade | 23 | 30 | 722 | 53 | 1,231 | 2,004 |
| c. | Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress | (347) | 1,039 | (920) | 692 | (1,540) | (1,002) |
| d. | Employee Benefits Expense | 922 | 1,064 | 1,471 | 1,986 | 2,943 | 5,536 |
| e. | Finance Costs | 945 | 931 | 917 | 1,876 | 1,880 | 3,620 |
| f. | Depreciation and Amortization Expense | 235 | 233 | 249 | 468 | 499 | 995 |
| g. | Other Expenses | 577 | 812 | 1,788 | 1,389 | 5,250 | 10,325 |
| II | Total Expenses | 2,657 | 4,364 | 5,291 | 7,021 | 11,793 | 23,576 |
| 4. | Profit from Continuing Operations Before Exceptional Items and Tax (I-II) | (2,257) | (2,377) | (3,564) | (4,634) | (8,749) | (15,863) |
| 5. | Exceptional Items | | | | | | (25,963) |
| 6. | Profit / (Loss) Before Tax (4+5) | (2,257) | (2,377) | (3,564) | (4,634) | (8,749) | (41,816) |
| 7. | Tax Expenses | | | | | | |
| a. | Current Tax | - | - | - | - | - | - |
| b. | Income Tax relating to earlier years | - | - | - | - | - | 172 |
| c. | Deferred Tax | (101) | (56) | (344) | (157) | (177) | 1,129 |
| 8. | Total Tax Expenses | (101) | (56) | (344) | (157) | (177) | 1,301 |
| 9. | Profit / (Loss) for the period / year (6-7) | (2,156) | (2,321) | (3,220) | (4,477) | (8,572) | (43,117) |
| A. | (i) Items that will not be reclassified to profit or loss | (19) | (20) | (4) | (39) | (8) | (79) |
| B. | (ii) Income Tax relating to items that will not be reclassified to profit or loss | 7 | 7 | 2 | 14 | 3 | 28 |
| (i) | Items that will be reclassified to profit or loss | 18 | 24 | 6 | 42 | 42 | 80 |
| (ii) | Income Tax relating to items that will be reclassified to profit or loss | - | - | - | - | - | - |
| 10. | Total Other Comprehensive Income | 6 | 11 | 4 | 17 | 37 | 29 |
| 11. | Total Comprehensive Income for the period / year (8+9) | (2,150) | (2,310) | (3,216) | (4,460) | (8,535) | (43,088) |
| 12. | Paid up Equity Share Capital (Face Value ₹ 10/- each) | 1,003 | 1,003 | 1,003 | 1,003 | 1,003 | 1,003 |
| 13. | Reserves (Other Equity) | | | | | | (21,101) |
| | Earnings Per Share (of ₹ 10/- each) - Basic and Diluted (#) | (21.48) | (23.14) | (32.10) | (44.63) | (85.46) | (429.87) |

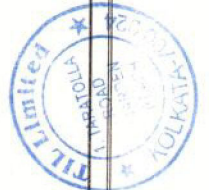
See accompanying notes to the Financial Results
 # Figures for three months and six months ended are not annualized.



Consolidated Statement of Assets and Liabilities

₹ in Lakhs

| | As at 30th September 2022 Unaudited | As at 31st March 2022 Audited |
|---|---|-------------------------------------|
| ASSETS | | |
| Non-Current Assets | | |
| (a) Property, Plant and Equipment | 9,957 | 10,546 |
| (b) Capital Work-In-Progress | 27 | 27 |
| (c) Right-of-use Assets | 942 | 1,268 |
| (d) Intangible Assets | 15 | 46 |
| (e) Financial Assets | - | - |
| (i) Investments | - | - |
| (ii) Others | 40 | 582 |
| (f) Deferred Tax Asset (Net) | 3,629 | 3,457 |
| (g) Income Tax Assets (Net) | 439 | 437 |
| (h) Other Non-Current Assets | 16 | 21 |
| Total Non-Current Assets | 15,105 | 16,384 |
| Current Assets | | |
| (a) Inventories | 15,351 | 16,430 |
| (b) Financial Assets | 78 | 98 |
| (i) Investments | 2,275 | 2,610 |
| (ii) Trade Receivables | 191 | 97 |
| (iii) Cash and Cash Equivalents | 471 | 364 |
| (iv) Bank Balances other than (i) above | 344 | 266 |
| (v) Loans | 1,810 | 1,728 |
| (v) Others | 419 | - |
| (c) Other Current Assets | | |
| Asset Held for Sale | | |
| | 20,939 | 21,593 |
| Total Current Assets | 36,044 | 37,977 |
| TOTAL ASSETS | | |
| | | |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| (a) Equity Share Capital | 1,003 | 1,003 |
| (b) Other Equity | (25,561) | (21,101) |
| | (24,558) | (20,098) |
| Total Equity | | |
| | 15,809 | 17,760 |
| | 877 | 875 |
| | 481 | 512 |
| Total Non-Current Liabilities | 17,167 | 19,147 |
| Current Liabilities | | |
| (a) Financial Liabilities | 24,380 | 22,089 |
| (i) Borrowings | 82 | 111 |
| (ii) Lease Liabilities | 303 | 362 |
| (iii) Trade Payables | 9,924 | 8,922 |
| A) Total outstanding dues of micro enterprises and small enterprises | 1,438 | 431 |
| B) Total outstanding dues of Creditors other than micro enterprises and small enterprises | 7,269 | 6,954 |
| (iv) Other Financial Liabilities | 39 | 39 |
| (b) Other Current Liabilities | 43,435 | 38,928 |
| (c) Provisions | | |
| Total Current Liabilities | 60,602 | 58,075 |
| Total Liabilities | | |
| TOTAL EQUITY AND LIABILITIES | 36,044 | 37,977 |



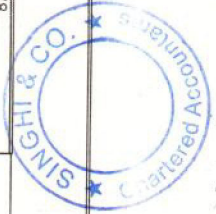
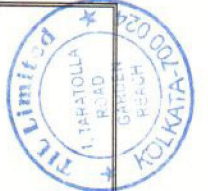
Unaudited Consolidated Statement of Cash Flows for six months ended 30th September 2022

₹ in Lakhs

| Particulars | Period Ended 30.09.2022 | Period Ended 30.09.2021 |
|--|-------------------------|-------------------------|
| A | | |
| Cash Flow from Operating Activities | | |
| Profit / (Loss) Before Tax and Exceptional Items | | (8,749) |
| Profit Before Tax from Discontinued Operations | | |
| Adjustments for: | | |
| Depreciation and Amortization Expense | 468 | 499 |
| Finance Costs | 1,876 | 1,880 |
| Net (Gain) / Loss on Fair Valuation of Investments through Profit and Loss | (2) | (8) |
| Unrealized Foreign Exchange (Gain) / Loss (Net) | 52 | 57 |
| Provisions / Liabilities no longer required written back | (590) | (116) |
| (Gain) / Loss on Sale of Investment | (1) | (70) |
| Doubtful and Bad Debts, Advances, Loans and Deposits | 579 | 3,350 |
| Interest Income | (12) | (10) |
| Dividend Income | - | (27) |
| (Profit) / Loss on Sale of Property, Plant & Equipment (Net) | - | - |
| Loss on Modification/Termination on Lease Assets | (3) | - |
| (Gain) / Loss on Fair Valuation of Derivatives not designated as Hedging Instruments through Profit and Loss | - | - |
| Other Non Cash Adjustment | (6) | 3 |
| | | (32) |
| Operating Profit before Working Capital Changes | 2,361 | 5,526 |
| Changes in Working Capital | (2,273) | (3,223) |
| Trade Receivables, Loans, Advances and Other Assets | (385) | 3,115 |
| Inventories | 1,078 | (4,219) |
| Trade Payables, Other Liabilities and Provisions | 1,751 | 1,664 |
| Cash Generated from Operations | 2,444 | 560 |
| Income Tax Paid (Net) | 171 | (2,663) |
| Net Cash Flows used in Operating Activities (A) | (2) | (1) |
| | 169 | (2,664) |
| B | | |
| Cash Flow from Investing Activities | | |
| Purchase of Property, Plant and Equipment, Intangibles etc. | - | (18) |
| Sale of Property, Plant & Equipment | - | 1 |
| Margin Money / Bank Deposits not considered as Cash and Cash Equivalents | 411 | 131 |
| Interest Received | 12 | 10 |
| Dividend Received | - | 27 |
| (Purchase)/Sale of Investments | 29 | 3,511 |
| Net Cash Flows used in Investing Activities (B) | 452 | 3,662 |
| C | | |
| Cash Flow from Financing Activities | | |
| Repayment of Long Term Borrowings | - | (818) |
| Proceeds from Long Term Borrowings | 91 | 3,437 |
| Repayment of Lease Liabilities | (52) | (33) |
| Proceeds from Short Term Borrowings (Net) | 241 | (1,810) |
| Finance Costs Paid | (820) | (1,734) |
| Net Cash Flows from Financing Activities (C) | (540) | (958) |
| Net Increase in Cash and Cash Equivalents (A+B+C) | 81 | 40 |
| Cash and Cash Equivalents at the beginning of the year | 97 | 46 |
| Effect for Foreign Exchange Fluctuation | 13 | 1 |
| Cash and Cash Equivalents at the end of the period | 191 | 87 |
| Cash and Cash Equivalents comprises | | |
| Cash in hand | 1 | 3 |
| Balance with Banks | 190 | 84 |
| | 191 | 87 |

Note: The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

*Amount is below ₹ 50,000 (Rupees Fifty thousand)




Notes:

- 1 The above unaudited Consolidated Financial Results, Balance Sheet and Cash Flows for six months ended 30th September 2022, drawn in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 15th December 2022 at Kolkata and have been subjected to "Limited Review" by the Statutory Auditors of the Company.
- 2 The parent Company is contemplating strategic investment by issue of 74,96,592 (Seventy Four Lakh Ninety Six Thousand Five Hundred Ninety Two) equity shares of Face Value of Rs. 10 (Rupees Ten) per share at a price of INR 92.40 (Rupees Ninety Two and forty Paise) per share through Preferential allotment in favour of Indocrest Defence Solutions Private Limited pursuant to the provisions of Regulation 164A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, subject to approval of the Shareholders & other requisite approvals. The Board of Directors of the parent Company has passed a resolution to this effect at its meeting held on 26th November 2022 & has also informed the Stock Exchanges under Regulation 30 of the SEBI (Listing and Disclosure Requirements) Regulations 2015.
- 3 The parent Company has incurred a further cash loss of Rs. 2,020 lakhs during the quarter and its net worth is also negative. Moreover, the Company's current liabilities also exceed its current assets as at 30th September 2022. In view of the acute financial crisis faced by the parent Company, some of the lenders have declared the loan facilities granted to the Company as a Non-Performing Asset (NPA). However, the lenders have also extended 'Holding on Operations' to the parent Company through a 'Trust & Retention Account' opened with the Lead Bank of the Consortium namely, Bank of India (BOI).
- As reported earlier, the parent Company had received an advance notice for application under the Insolvency and Bankruptcy Code 2016 from one of the lenders, Bank of India, on 12th August 2022. Subsequently, the Bank has filed an application under Section 7 of the IBC before the Hon'ble National Company Law Tribunal on 28th September 2022. The application is yet to be admitted. On 7th December 2022 TIL has submitted its objections and the matter will be heard on 11th January 2023. Further, the Board of Directors has approved a resolution plan at its meeting held on 26th November 2022 subject to approval of the lenders.
- Though the above situation is indicative of a material uncertainty that may cast doubt on the Company's ability to continue as a going concern, but in view of the proposed strategic investment as stated in Note 2 above and proposed resolution plan together with sales orders in hand, the management has concluded that the material uncertainties are expected to be mitigated and hence the standalone financial statements have been prepared on a going concern basis.
- 4 Tata Capital Financial Services Limited & Aditya Birla Finance Limited have initiated SARFAESI proceedings against the parent Company for securitization of the Mortgaged Properties namely, leasehold property situated at Sahibabad & ownership property situated at Chennai respectively towards recovery & satisfaction of their entire outstanding dues. Since the Board of Directors has approved surrender of the said properties, the same have been considered as "Assets held for Sale" in the books of the group.
- 5 The parent Company had engaged an external valuer for conducting the fair valuation of its Property Plant & Equipment in the previous year. Since the Fair Value of the Property, Plant and Equipment is higher than its carrying value as on the 30th September 2022, in the opinion of the management, no impairment provision is considered necessary.
- 6 The parent Company has carried forward Minimum Alternate Tax Credit of Rs. 3,026 Lakhs as on 30th September 2022 (a component of deferred tax asset in the financial statements) which was accounted for in the earlier years. In the opinion of the management sufficient future taxable profit will be available against which these unused tax credits can be utilized within the stipulated period under the provisions of Income Tax Act 1961.
- 7 The parent Company has engaged an external party to physically verify 100% of its inventory. This exercise is continuing as on date, and the shortage/ excess, if any, will be accounted for in the forthcoming quarter ending 31st December 2022.
- 8 Stock in Transit includes materials valuing Rs. 3,585 Lakhs lying in Bonded Warehouse/ at Port as on 30th September 2022 which also includes Rs.3,003 Lakhs imported in the earlier years. These inventories could not be released from the authorities due to non-payment of custom duty, other charges etc. The management does not expect any material loss on account of any obsolescence in these said stocks due to passage of time and no provision is considered necessary.
- 9 As reported earlier, pursuant to a complaint lodged against the parent Company with the Securities and Exchange Board of India (SEBI) alleging various accounting misstatements in the audited financial statements of the parent Company for the year ended 31st March 2021 and certain other matters, the "Corporation Finance Investigation Department" (CFID) of SEBI had sought various information's from the Company vide their letter dated 31st March 2022. Later, based on the management audit report of an independent firm of chartered Accountant on the financial statements for the financial year 2019-20 & 2020-21 and based on an internal enquiry by the management, certain accounting adjustments were carried out during the quarter ended year ended 31st March 2022 to rectify those accounting mistakes/ misstatements made in the books of accounts in the previous financial years. The standalone financial statements for the year ended 31st March 2022 were duly approved by the Board of Directors in their meeting dated 19th September 2022. The parent Company has further received a letter from SEBI dated 31st October 2022 seeking further information's which has since been replied by the parent Company on 4th November 2022. The parent Company has not received any further intimation from SEBI since then.
- 10 As reported earlier, an enquiry by "Directorate of Revenue Intelligence & Enforcement" (DRI) has been ongoing since June 2021 in respect to certain trading transactions and other matters related to earlier years and the parent Company has since complied with the requirements of the DRI. The Company has received an investigation report dated 20th July 2022 on 7th November 2022 from DRI. Further based on the investigation report from DRI, intimations from GST Authority were received on 7th November 2022 (for FY 2019-20) & on 10th November 2022 (for FY 2020-21) for payment of tax/interest/penalty amounting to Rs. 928.90 Lakhs & Rs. 3,290.79 lakhs respectively under Section 74(5) of the GST Act. The intimation under section 122(1)(i) is yet to be received from the GST authorities. The parent Company has sought time for filing its reply to the said intimations. The parent Company is of the view that the demand raised by GST authorities does not have merit and will be set aside.
- 11 The Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. The operations of the Group pertain only to Material Handling Solution (i.e. manufacturing of various Material Handling Equipment namely Mobile Cranes, Port Equipment, Self-Loading Truck Cranes, Road Construction Equipment etc. and dealing in spares and providing services to related equipment). Further, the parent Company's principal geographical area is within India. Accordingly, the Company has only one reportable operating segment.
- 12 Figures for the previous periods / year have been regrouped / reclassified wherever necessary to conform to current period's classification.

Registered Office :
1, Taratolla Road,
Kolkata 700 024.

Date : 15th December 2022




Sumit Mazumder
Chairman & Managing Director