TIL LIMITED

Our Company was originally incorporated on May 10, 1974 under the Companies Act, 1956 as Spundish Engineers Private Limited with the Registrar of Companies, Maharashtra at Mumbai. Further, pursuant to a scheme or arrangement, Tractors India Limited was amalgamated with our Company and the name of our Company was subsequently changed to TIL Limited and a fresh certificate of incorporation was issued on October 4, 1985 by the Registrar of Companies, Maharashtra at Mumbai. The Registered Office our Company was shifted from Maharashtra to West Bengal pursuant to a special resolution of our Shareholders and confirmed by way of an order of the Company Law Board dated September 6, 1986 and our Company received a certificate of registration of the order of the court confirming transfer of the office from Maharashtra to West Bengal dated January 6, 1987. For details of change in name and registered office of our Company, see "General Information" on page 36.

Registered Office: 1, Taratolla Road, Garden Reach, Kolkata 700 024, West Bengal, India;
Telephone: +91 33 2469 3732 -36
Contact Person: Sekhar Bhattacharjee, Company Secretary and Compliance Officer
Email: secretarial.department@tilindia.com; Website: www.tilindia.in
Corporate Identity Number: : L74999WB1974PLC041725

OUR PROMOTERS: SUMIT MAZUMDER, MANJU MAZUMDER AND INDOCREST DEFENCE SOLUTIONS PRIVATE LIMITED

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF TIL LIMITED (THE "COMPANY" OR THE "ISSUER") ONLY

ISSUE OF UP TO 4,90,75,199 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("RIGHTS EQUITY SHARES") OF THE COMPANY FOR CASH AT A PRICE OF ₹10 EACH ("ISSUE PRICE") FOR AN AGGREGATE AMOUNT UP TO ₹ 4,907.52 LAKHS* ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 28 RIGHTS EQUITY SHARES FOR EVERY 10 FULLY PAID-UP EQUITY SHARE HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON FRIDAY, MARCH 22, 2024. FOR FURTHER DETAILS, SEE "*TERMS OF THE ISSUE*" ON PAGE 287.

Assuming full subscription

WILFUL DEFAULTER OR FRAUDULENT BORROWER

Except as disclosed in the sections "*Risk Factors*" and "*Outstanding Litigation*" on pages 16 and 277, respectively, neither our Company, our Promoters nor our Directors are categorised wilful defaulters or fraudulent borrowers by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

GENERAL RISK

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk with their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**") nor does SEBI guarantee the accuracy or adequacy of the contents of this Letter of Offer. Specific attention of investors is invited to the statement of "*Risk Factors*" on page 16.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares of our Company are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") (together, the "**Stock Exchanges**"). Our Company has received 'in-principle' approvals from BSE and NSE for listing the Rights Equity Shares to be allotted in the Issue through their letters dated March 14, 2024 and March 13, 2024, respectively. Our Company will also make applications to the Stock Exchanges to obtain their trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. NSE shall be the Designated Stock Exchange for the purpose of this Issue.

REGISTRAR TO THE ISSUE

LINK INTIME INDIA PRIVATE LIMITED
C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai – 400 083, Maharashtra, India.
Telephone: +91 81081 14949
E-mail: til.rights@linkintime.co.in
Investor grievance E-mail: til.rights@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Ms. Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

ISSUE PROGRAMME*

ISSUE OPEN ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSES ON#
Friday, April 26, 2024	**Monday, May 6, 2024**	**Friday, May 10, 2024**

**Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

#Our Board or a duly authorised committee thereof will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

CONTENTS

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Letter of Offer uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalised terms used in this Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

This Letter of Offer uses the definitions and abbreviations set forth below, which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in sections/ chapters titled "Industry Overview", "Statement of Special Tax Benefits", "Financial Information" and "Outstanding Litigations and Defaults" and "Terms of Issue" on pages 53, 51, 67, 277 and 287 respectively, shall have the meaning given to such terms in such sections.

General terms

Term	Description
"TIL Limited" or "We" or "us" or "Our Company" or "the Company" or "the Issuer"	TIL Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered office at 1, Taratolla Road, Garden Reach, Kolkata 700 024, West Bengal, India.

Company related terms

Term	Description
Articles / Articles of Association / AoA	The Articles of Association of our Company, as amended from time to time.
Auditor / Statutory Auditor	The statutory auditor of our Company, being M/s Singhi & Co, Chartered Accountants.
Audited Financial Statements/ Audited Financial Information	The audited financial statements of our Company for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 which comprises of the balance sheets as at March 31, 2023, March 31, 2022 and March 31, 2021, the statements of profit and loss, including other comprehensive income, the cash flow statements and the statements of changes in equity for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. For details, see "*Financial Statements*" on page 67.
Board / Board of Directors	Board of Directors of our Company, including any committees thereof.
Corporate Promoter	Indocrest Defence Solutions Private Limited
Equity Share(s)	The equity shares of our Company of a face value of ₹10 each, unless otherwise specified in the context thereof.
Independent Director(s)	The independent director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act and Regulation 16(1)(b) of the SEBI Listing Regulations.
Individual Promoters	Sumit Mazumder and Manju Mazumder
Key Management Personnel / KMP/SMP	Key management/ managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and as described in "*Our Management – Our Key Management Personnel and Senior Management Personnel*"

Term	Description
	on page 65.
Limited Review Report	Report dated February 14, 2024 prepared by the statutory auditors of our Company, M/s Singhi & Co, Chartered Accountants on the unaudited financials results of our Company for the nine month ended on December 31, 2023.
Memorandum / Memorandum of Association / MoA	Memorandum of association of our Company, as amended from time to time.
Promoter(s)	The Individual Promoters and the Corporate Promoters.
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations.
Registered Office	The registered office of our Company located at 1, Taratolla Road, Garden Reach, Kolkata 700 024, West Bengal, India.
Registrar of Companies/ RoC	The Registrar of Companies, West Bengal at Kolkata.
Restated Financial Information	Restated consolidated financial information of the Company for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 which comprises of the balance sheets as at March 31, 2023, March 31, 2022 and March 31, 2021, the statements of profit and loss, including other comprehensive income, the cash flow statements and the statements of changes in equity for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 and notes thereon, prepared in accordance with the requirements of the SEBI ICDR Regulations. For details, see "*Financial Statements*" on page 67.
Shareholders / Equity Shareholder	The equity shareholders of our Company, from time to time.
Limited Review Unaudited Financial Statements/ Limited Review Unaudited Financial Results	The limited review unaudited financial results for the nine months ended December 31, 2023 prepared in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the notes thereto.

Issue related terms

Term	Description
Abridged Letter of Offer / ALOF	The abridged letter of offer to be sent to the Eligible Equity Shareholders of our Company with respect to this Issue in accordance with the SEBI ICDR Regulations and the Companies Act.
Additional Rights Equity Shares / Additional Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement.
Advisor to the Issue	DAM Capital Advisors Limited
Allot / Allotted / Allotment	Unless the context otherwise requires, the allotment of Rights Equity Shares pursuant to the Issue.
Allotment Account(s)	The accounts opened with the Banker to the Issue, into which the amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act.
Allotment Account Bank/Banker to Issue/Refund Bank	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Account(s) will be opened, in this case being IndusInd Bank Limited.
Allotment Advice	Note, advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted and the Rights Equity Shares pursuant to this Issue.
Allotment Date	Date on which the Allotment is made pursuant to this Issue.
Allottee(s)	Persons to whom the Rights Equity Shares are Allotted pursuant to the Issue.
Applicant(s) / Investor(s)	Eligible Equity Shareholder(s) and/or Renouncees who are entitled to make an

Term	Description
	application for the Equity Shares in terms of this Letter of Offer.
Application	Application made (i) through submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process to subscribe to the Rights Equity Shares at the Issue Price.
Application Form	Form in terms of which an Applicant shall make an application to subscribe to the Rights Equity Shares pursuant to the Issue, including plain-paper applications and online application form available for submission of application though the website of the SCSBs (if made available by such SCSBs) under the ASBA process
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price.
Application Supported by Blocked Amount / ASBA	The application (whether physical or electronic) used by an Applicant(s) to make an application authorizing the SCSB to block the amount payable on application in their ASBA Account maintained with such SCSB.
ASBA Account	An account maintained with an SCSB and as specified in the Application Form or plain paper Application, as the case may be, by the Applicant for blocking the amount mentioned in the Application Form or in the plain paper.
ASBA Applicants / ASBA Investors	Applicants / Investors who make Application in this Issue using the ASBA Process.
ASBA Circulars	Collectively, the SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, the SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011, the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and the SEBI Circular SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022.
Banker to the Company	IndusInd Bank Limited
Banker to the Issue	IndusInd Bank Limited
Banker to the Issue Agreement	Agreement dated April 15, 2024 amongst our Company, the Registrar to the Issue and the Banker to the Issue for transfer of funds to the Allotment Account, refunds of the amounts collected from Applicants/Investors and providing such other facilities and services as specified in the agreement.
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful applicants in consultation with the Designated Stock Exchange under this Issue and which is described in "*Terms of the Issue*" on page 287.
Controlling Branches / Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate with the Registrar to the Issue and the Stock Exchanges, a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	Details of Investors including the Investor's address, name of the Investor's father/ husband, investor status, occupation and bank account details, where applicable.
Designated Branches	Such branches of the SCSBs which shall collect the Application Form or the plain paper Application, as the case may be, from the Investors and a list of which is available on the website of SEBI and/or such other website(s) as may be prescribed by the SEBI or the Stock Exchange(s), from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996.
Letter of Offer / LOF	This letter of offer dated April 15, 2024 filed with the Stock Exchanges including any addenda or corrigenda thereto.
Equity Shareholder(s) / Shareholder(s)	The holders of Equity Shares of our Company.

Term	Description
Eligible Equity Shareholder(s)	Holder(s) of the Equity Shares as on the Record Date, i.e., Friday, March 22, 2024
ISIN	International Securities Identification Number.
Issue / Rights Issue	Issue of up to 4,90,75,199 Rights Equity Shares for cash at a price of ₹ 10 per Rights Equity Share for an aggregate amount upto ₹ 4,907.52 lakhs* on a rights basis by our Company to the Eligible Equity Shareholders in the ratio of 28 Rights Equity Shares for every 10 Equity Share held by the Eligible Equity Shareholders on the Record Date. **Assuming full subscription*
Issue Closing Date	May 10, 2024
Issue Documents	Collectively, this Letter of Offer, the Abridged Letter of Offer, Application Form, the Rights Entitlement Letter, any other issue material
Issue Opening Date	April 26, 2024
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their Applications, in accordance with the SEBI ICDR Regulations.
Issue Price	₹ 10 per Rights Equity Share.
Issue Proceeds/Gross Proceeds	The gross proceeds raised through the Issue.
Issue Size	The issue of up to 4,90,75,199 Rights Equity Shares aggregating to an amount upto ₹ 4,907.52 lakhs.* **Assuming full subscription*
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchanges in terms of the SEBI Listing Regulations
Materiality Policy	'*Policy for Determination and Disclosure of Materiality of an Event or Information*' adopted by our Board in accordance with the requirements under Regulation 30 of the SEBI Listing Regulations, read with the materiality policy adopted by the Board of Directors through its resolution dated February 14, 2024.
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application.
Net Proceeds	Issue Proceeds less the Issue-related expenses. For details, see "*Objects of the Issue*" on page 44.
Non-Institutional Investor(s) / NII	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations.
Non – ASBA Applicant/ Non - ASBA Investor	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process.
Offer Document(s)	The Letter of Offer, Abridged Letter of Offer including any notices, corrigenda thereto.
On Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchanges through a registered stock broker in accordance with the SEBI Rights Issue Circulars, circulars issued by the Stock Exchanges from time to time and other applicable laws, on or before May 6, 2024.
Off Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars, circulars issued by the Depositories from time to time and other applicable laws.
QIBs / Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Record Date	Designated date for the purpose of determining the Shareholders eligible to apply for the Rights Equity Shares in the Issue, being Friday, March 22, 2024.
Registrar / Registrar to the Issue	Link Intime India Private Limited
Registrar Agreement	Agreement dated March 6, 2024 entered into between our Company and the Registrar

Term	Description
	in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue.
Renouncee(s)	Person(s) who, has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation either through On Market Renunciation or through Off Market Renunciation in accordance with the SEBI ICDR Regulations, the SEBI Rights Issue Circulars, the Companies Act and any other applicable law.
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on May 6, 2024, in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through Off-market transfer is completed in such manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date.
Retail Individual Investor / RII	An individual Investor who has applied for Rights Equity Shares for an amount not more than ₹ 2,00,000 (including an HUF applying through karta in the Issue as defined under Regulation 2(1)(vv) of the SEBI ICDR Regulations.
Rights Entitlements/ REs	The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to his / her shareholding in our Company as on the Record Date, being 28 Rights Equity Share(s) for every 10 fully paid-up Equity Share held by the Eligible Equity Shareholder on the Record Date. Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date.
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders.
Rights Equity Shares / Rights Shares	Fully paid-up Equity Shares of our Company to be Allotted pursuant to the Issue.
Self-Certified Syndicate Banks / SCSBs	Self-certified syndicate banks registered with SEBI, which offers the facility of ASBA. A list of all SCSBs is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, updated from time to time and/or such other website(s) as maybe prescribed by SEBI from time to time.
Stock Exchanges	BSE and NSE where the Equity Shares are presently listed.
Transfer Date	The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange.
Wilful Defaulter or Fraudulant Borrower	An entity or person categorised as a wilful defaulter or fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(lll) of the SEBI ICDR Regulations.
Working Day	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Kolkata are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Kolkata are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays.

Business and Industry Related Terms

Terms	Description
EPF	Employees Provident Fund
EPFO	Employees Provident Fund Organisation
GDP	Gross Domestic Product
GoI / GOI	Government of India

Terms	Description
GVA	Gross Value Added
GVW	Gross vehicle weight
HNI's	High Networth Individuals
IIP	Index of Industrial Production
IT	Information Technology
Mts / m	Metre
MT	Metric ton
MoD / MOD	Ministry of Defense, Government of India
R&D	Research and development
Sq. mt/ / sq. mts.	Square meter

Conventional, General Terms and Abbreviations

Term	Description
₹/ Rs./ Rupees/ INR	Indian Rupees
A/c	Account
AGM	Annual General Meeting
AIF	Alternative investment fund, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
BSE	BSE Limited
CAGR	Compounded annual growth rate
CDSL	Central Depository Services (India) Limited
CCD	Compulsorily Convertible Debentures
CIN	Corporate Identity Number
Companies Act	Companies Act, 2013 and the rules made thereunder
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020.
CSR	Corporate Social Responsibility
Depositories Act	The Depositories Act, 1996
Depository Participant / DP	A Depository participant as defined under the Depositories Act
DIN	Director Identification Number
DP ID	Depository Participant's Identification Number
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extraordinary general meeting
EPS	Earnings per Share
ERP	Enterprise Resource Planning
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations made thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial year / Fiscal/ FY	Period of 12 (twelve) months beginning April 1 and ending March 31 of that particular year, unless otherwise stated
Foreign Portfolio Investor / FPI	Foreign portfolio investor as defined under the SEBI FPI Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors registered under the FVCI Regulations
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors)

Term	Description
	Regulations, 2000
GDP	Gross Domestic Product
Government / Government of India / GoI	Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financing Reporting Standards of the International Accounting Standards Board
Ind AS	Indian accounting standards prescribed under Section 133 of the Companies Act, as notified under the Companies (Indian Accounting Standards) Rules, 2015
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
ISIN	International Securities Identification Number allotted by the depository
IT	Information Technology
I.T. Act / IT Act	Income Tax Act, 1961
I. T. Rules	Income Tax Rules, 1962
Listing Agreements	The listing agreements entered into by our Company with the Stock Exchanges
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, Government of India
MICR	Magnetic ink character recognition
MoU	Memorandum of Understanding
Mutual Fund	Mutual Fund registered with SEBI under the SEBI Mutual Fund Regulations.
NA / N.A.	Not Applicable
NACH	National Automated Clearing House which is a consolidated system of ECS
NAV	Net asset value
NCLT	National Company Law Tribunal
NCLAT	National Company Law Appellate Tribunal
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation
NI Act	Negotiable Instruments Act, 1881
NSDL	National Securities Depositories Limited
NR / Non-Resident	A person resident outside India, as defined under the FEMA
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NRI	Non-Resident Indian
NSE	The National Stock Exchange of India Limited
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA
OCI	Overseas Citizen of India
p.a.	Per Annum
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax

Term	Description
P/E Ratio	Price / Earnings Ratio
PIO	Persons of Indian Origin
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RTGS	Real Time Gross Settlement
RONW	Return on Net Worth
SCORES	SEBI Complaints Redress System
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India, constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI Rights Issue Circulars/ Rights Issue Circulars	SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular(s) issued by SEBI in this regard
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
Securities Act	United States Securities Act of 1933
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
Trade Marks Act	Trade Marks Act, 1999
US	United States of America
US GAAP	Generally Accepted Accounting Principles in United States
VCF	A venture capital fund (as defined and registered with SEBI under the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996)

NOTICE TO INVESTORS

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other applicable Issue material (collectively, the "**Issue Materials**") will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address and who are located in jurisdictions where the offer and sale of the Rights Entitlement and the Rights Equity Shares are permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. Pursuant to the Rights Issue Circulars, in case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders who have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any Issue Materials. Further, the Letter of Offer will be provided through e-mail by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their email addresses to our Company and who make a request in this regard. Investors can also access this Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company and the Stock Exchanges.

Our Company shall also endeavour to dispatch physical copies of the Issue Materials to Eligible Equity Shareholders who have provided an Indian address to our Company. Our Company, the Advisor to the Issue, and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Issue Materials will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, the Issue Materials must be treated as sent for information only and should not be copied, redistributed or acted upon for subscription to Rights Equity Shares or the purchase of Rights Entitlements. Accordingly, persons receiving a copy of the Issue Materials should not, in connection with the issue of the Rights Entitlements or Rights Equity Shares, distribute or send such document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations or would subject the Company, Advisor to the Issue or their respective affiliates to any filing or registration requirement (other than in India). If Issue Materials is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlement or Rights Equity Shares referred to in Issue Materials. Envelopes containing an Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares in this Issue must provide an Indian address.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction without requirement for our Company, the Advisor to the Issue or their respective affiliates to make any filing or registration (other than in India).

Neither the delivery of the Issue Materials nor any sale or offer hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of the Letter of Offer or date of such information.

The contents of this Letter of Offer and Abridged Letter of Offer should not be construed as business, legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of buying or selling of Rights Equity Shares or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of Rights Equity Shares or Rights Entitlements. In addition, neither our Company nor the Advisor to the Issue nor any of their respective affiliates are making any representation to any offeree or purchaser of the Rights Equity Shares or the Rights Entitlements regarding the legality of an investment in the Rights Equity Shares or the Rights Entitlements by such offeree or purchaser under any applicable laws or

regulations.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the United States Securities Act, 1933, as amended ("**Securities Act**"), or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof ("**United States**" or "**U.S.**") or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act ("**Regulation S**"), except in a transaction exempt from the registration requirements of the Securities Act. The Rights Entitlements and Rights Equity Shares referred to in this Letter of Offer are being offered in India and in jurisdictions where such offer and sale of the Rights Equity Shares and/ or Rights Entitlements are permitted under laws of such jurisdictions, but not in the United States. The offering to which this Letter of Offer, and Abridged Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights.

Accordingly, this Letter of Offer/ Abridged Letter of Offer, Rights Entitlement Letter and Application Form should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company has reason to believe is, in the United States of America when the buy order is made. No payments for subscribing for the Rights Equity Shares shall be made from US bank accounts and all persons subscribing for the Rights Equity Shares and wishing to hold such Rights Equity Shares in registered form must provide an address for registration of the Rights Equity Shares in India. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch the Letter of Offer or Abridged Letter of Offer and the Application Form only to Eligible Equity Shareholders who have provided an Indian address to our Company.

We, the Registrar or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which: (i) does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations; (ii) appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and we shall not be bound to allot or issue any Rights Equity Shares in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

PRESENTATION OF FINANCIAL INFORMATION AND OTHER INFORMATION

Certain Conventions

Unless otherwise specified or the context otherwise requires, all references to "India" contained in this Letter of Offer are to the Republic of India and the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, Central or State, as applicable. Unless otherwise specified or the context otherwise requires, all references in this Letter of Offer to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions.

Unless otherwise specified, all references in this Letter of Offer are in Indian Standard Time. Unless indicated otherwise, all references to a year in this Letter of Offer are to a calendar year.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Unless stated otherwise, all references to page numbers in are to the page numbers of this Letter of Offer.

Financial Data

Unless stated or the context requires otherwise, our financial data included in this Letter of Offer is derived from the Audited Financial Statements for the financial years ended on March 31, 2023, March 31, 2022 and March 31, 2021 and Limited Review Unaudited Financial Results for the nine months period ended December 31, 2023. For further information, see "*Financial Information*" on page 67.

We have prepared our Audited Financial Statements and Limited Review Unaudited Financial Results in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended and Regulation 33 of the SEBI Listing Regulations. Our Company publishes its financial statements in Indian Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Letter of Offer should accordingly be limited.

Our Company's Financial Year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year. Accordingly, all references to a particular Financial Year or Fiscal or FY, unless stated otherwise, are to the 12 months period ending on March 31 of that particular calendar year.

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures. Unless stated otherwise, throughout this Letter of Offer, all figures have been expressed in lakhs.

Market and Industry Data

Unless stated otherwise, market and industry data used in this Letter of Offer has been obtained or derived from publicly available information, industry publications and sources. Industry publications generally state that the information that they contain has been obtained from sources believed to be reliable but that the accuracy, adequacy, completeness, reliability or underlying assumption are not guaranteed. Similarly, internal surveys, industry forecasts, market research and industry and market data used in this Letter of Offer, while believed to be reliable, have not been independently verified by our Company, the Advisor to the Issue or their respective affiliates and neither our Company, the Advisor to the Issue, nor their respective affiliates make any representation as to the accuracy of such information. Accordingly, Investors should not place undue reliance on this information.

Certain industry related information in the sections titled "*Industry Overview*", "*Our Business*", "*Risk Factors*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operation*" on pages 53, 57, 16 and 255 respectively, have been derived from publicly available sources.

Currency and Units of Presentation

All references to "Rupees" or "₹" or "Rs." are to Indian Rupees, the official currency of the Republic of India. All references to “US$”, “U.S. Dollar”, “USD” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America.

Certain numerical information has been presented in this Letter of Offer in “Lakhs” units. 1,00,00,000 represents one crore and 10,00,000 represents one million.

Exchange Rates

These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and the respective foreign currencies:

Currency	**Exchange rate (in ₹) as on**			
	December 31, 2023	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
1 US$	83.12	82.22	75.81	73.50

(Source: www.fbil.org.in)
The price for the period end refers to the price as on the last trading day of the respective fiscal year.
In case last day of any of the respective years/ period is a public holiday, the previous working day, not being a public holiday, has been considered.

FORWARD LOOKING STATEMENTS

Certain statements contained in this Letter of Offer that are not statements of historical fact constitute ‘forward-looking statements’. Investors can generally identify forward-looking statements by terminology including ‘anticipate’, ‘believe’, ‘continue’, ‘can’, ‘could’, ‘estimate’, ‘expect’, ‘future’, ‘forecast’, ‘intend’, ‘may’, ‘objective’, ‘plan’, ‘potential’, ‘project’, ‘pursue’, ‘shall’, ‘should’, ‘target’, ‘will’, ‘would’ or other words or phrases of similar import. Similarly, statements that describe our objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements may include planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Letter of Offer that are not historical facts.

These forward-looking statements contained in this Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause our actual results, performances and achievements to differ materially from any of the forward-looking statements include, among others:

- Our ability to turn profitable in the near future;
- Our ability to successfully implement our strategies;
- Our ability to effectively manage supply chains and logistics;
- Our ability to pass on raw material costs to our customers;
- Our ability to qualify for and win further contracts, including from the GoI for our defence business;
- Our inability to attract and retain skilled personnel; and
- Our inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals for our business operations.

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 16, 57 and 255, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views of our Company as at the date of this Letter of Offer and are not a guarantee or assurance of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Accordingly, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct and given the uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of our Company’s underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

SUMMARY OF THIS LETTER OF OFFER

The following is a general summary of certain disclosures included in Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Letter of Offer or all details relevant to prospective investors. This summary should be read in conjunction with and is qualified by, the more detailed information appearing in this Letter of Offer, including the sections titled "*Risk Factors*", "*Objects of the Issue*", "*Our Business*" and "*Outstanding Litigations and Defaults*" on pages 16, 44, 57 and 277, respectively.

Summary of our Business

Our Company offers a comprehensive portfolio of industrial equipment products and solutions relating to cranes including mobile cranes and rough terrain cranes, reach stackers and specialised equipment for the Indian defence industry. Through our predecessor entities and business, we have been in operation since 1944. Our capabilities include the ability to create cranes of various sizes and capacities, ranging from 10 MT to 100 MT.

Objects of the Issue

Our Company intends to utilize the Net Proceeds raised through the Issue towards the following objects:

(₹ In lakhs)

S. No.	Particulars	Estimated amount
1.	Funding incremental working capital requirements of our Company	3,750.00
2.	General corporate purposes	930.02
	Total Net Proceeds*	**4,680.02**

**Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

For further details, see "*Objects of the Issue*" on page 44.

Intention and extent of participation by our Promoters and Promoter Group in the Issue

Our Corporate Promoter by their letter dated April 15, 2024 (the "**Promoter Subscription Letter**") on behalf of the Promoter Group of the Company have confirmed that they shall:

(i) subscribe to their Rights Entitlements in the Issue and that they shall not renounce the Rights Entitlements (except to the extent of Rights Entitlements renounced by any of them in favour of the other Promoter or other member(s) of our Promoter Group);

(ii) to additional Rights Equity Shares including subscribing to any unsubscribed portion in the Issue, if any, or subscription pursuant to Rights Entitlement acquired through renunciation, either individually or jointly and/ or severally with the Promoter(s) or any other members of the Promoter Group, subject to compliance with the applicable laws/ regulations; and

(iii) comply with applicable regulatory requirements within such timelines and in such manner as permitted under applicable laws / regulations should their shareholding along with the other Promoters and members of the Promoter Group, be in excess of the minimum public shareholding requirements under Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with rule 19(2) and Rule 19A of the Securities Contracts (Regulations) Rules, 1957, each as amended.

The acquisition of Rights Equity Shares by our Promoters and our Promoter Group, over and above its Rights Entitlements, as applicable, or subscription to the unsubscribed portion of this Issue, shall not result in a change of control or the management of our Company. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations.

Summary of Outstanding Litigations and Defaults

A summary of outstanding legal proceedings involving our Company and Promoters as on the date of this Letter of Offer is set forth in the table below:

Nature of Cases	Number of Cases	Amount Involved* (₹ lakhs)
Litigations involving our Company and Promoters		
Proceedings involving moral turpitude or criminal liability on our Company	**1**	**N.A.**
Proceedings involving material violations of statutory regulation by our Company and Promoters	**3**	**3,290**
Matters involving economic offences where proceedings have been initiated against our Company	**1**	**N.A.**
Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company	**1**	**320**

* *To the extent quantifiable.*

For further details, see "*Outstanding Litigations and Defaults*" beginning on page 277.

Risk Factors

For details of the risks associated with our Company, please see the section titled "*Risk Factors*" on page 16.

Contingent Liabilities

For details of contingent liabilities for the Fiscals 2023, 2022 and 2021, please see the section titled "*Financial Statements*" on page 67.

Related Party Transactions

For details of related party transactions for the Fiscals 2023, 2022 and 2021, please see the section titled, see "*Financial Statements*" on page 67.

Issue of Equity Shares for consideration other than cash in the last one year

No Equity Shares have been issued by our Company for consideration other than cash during the period of one year immediately preceding the date of filing of this Letter of Offer.

SECTION II – RISK FACTORS

An investment in equity shares involves a high degree of risk. This section describes the risks that we currently believe may materially affect our business, financial condition and results of operations. You should carefully consider each of the following risk factors and all other information set forth in this Letter of Offer, including the risks and uncertainties described below, before making an investment in the Rights Equity Shares.

The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also materially adversely affect our business, prospects, financial condition and results of operations and cash flows. If any or some combination of the following risks, or other risks that we do not currently know about or believe to be material, actually occur, our business, financial condition and results of operations and cash flows could suffer, the trading price of, and the value of your investment in our equity shares could decline, and you may lose all or part of your investment. In making an investment decision, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved.

To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with "Our Business", "Industry Overview", "Financial Information" beginning on pages 57, 53 and 67 respectively, as well as the financial, statistical and other information contained in this Letter of Offer. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. You should consult your tax, financial and legal advisors about the consequences to you of an investment in our Rights Equity Shares.

This Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Letter of Offer.

Unless otherwise stated, references to "we", "us", "our" and "the Company" are to TIL Limited on a standalone basis.

Internal Risk Factors

1. ***Our Company has incurred losses in the past, which may adversely impact our business and financial conditions.***

Our Company has incurred losses amounting to ₹ 9,102 lakhs, ₹ 43,117 lakhs and ₹ 6,848 lakhs as per the Audited Financial Statements for Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively. Our losses during the above-mentioned periods have been primarily on account of supply chain bottlenecks, liquidity constraints and a one-time exceptional loss due to provisioning and writing -off the inventory, trade receivables and certain advances pursuant to re-assessment of assets post Covid and the overall slowdown of the economy for the Fiscal 2021. These losses have resulted in erosion of net worth of the Company. Our ability to operate profitably depends upon a number of factors, some of which are beyond our direct control. These factors include, but are not limited to, competition, customer taste and preferences. If we continue to incur losses, our business and the financial conditions could be adversely affected.

Further, we have not paid any dividend in the past and our ability to pay dividends in the future will depend upon various factors. There can be no assurance that we will, or have the ability to, declare and pay any dividends on the Equity Shares in the near future. The declaration, payment and amount of any future dividends are subject to the discretion of the Board and will depend upon a number of factors, including our Company's results of operations, future earnings, profitability, capital requirements for future expansions and available surplus, general financial conditions, contractual restrictions, applicable Indian law restrictions and other factors considered relevant by our Board.

2. ***Our Company and Promoters are involved in certain legal proceedings. Any adverse decision in such proceedings may adversely affect our business and results of operations.***

Our Company and Promoters are currently involved in certain legal proceedings in India. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. We can give no assurance that these legal proceedings will be decided in our favour and we may incur significant expenses and management time in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If any new developments arise, for example, a change in Indian law or rulings against us by the appellate courts or tribunals, we may face losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities. If such claims are determined against us, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares. For further details on the outstanding litigations pertaining to our Company, refer to chapter titled "*Outstanding Litigation and Defaults*" beginning on page 277.

3. Our Statutory Auditors has included certain remarks or matters of emphasis in our Audited Financial Statements and Limited Review Unaudited Financial Results. In addition, the annexure to our Statutory Auditors' report issued under the Companies (Auditor's Report) Order, 2020 ("CARO"), on our Audited Financial Statements contain statements on certain matters.

Our Statutory Auditors have included certain remarks or matters of emphasis in relation to our Company in our Audited Financial Statements for Fiscals 2023, 2022 and 2021 and Limited Review Unaudited Financial Results for the nine period ended December 31, 2023. In Fiscal 2021, our statutory auditors had expressed reservations on our ability to continue as a going concern on account of high levels of debt and our accounts being declared as non-performing assets by our lenders. For further information, see "*Management's Discussion and Analysis on the Financial Conditions and Results of Operations - Reservations, qualifications, matter of emphasis, adverse remarks / other observations in CARO*" page 256.

There can be no assurance that any similar remarks or matters of emphasis will not form part of our financial statements for the future periods, or that such remarks will not affect our financial results in future. Investors should consider the remarks and matters of emphasis in evaluating our financial condition, results of operations and cash flows. Any such remarks or matters of emphasis in the auditors' report and/ or CARO report on our financial statements in the future may adversely affect the trading price of the Equity Shares.

4. We have recently undertaken a one-time settlement of our overall debt with our lenders and undergone a change in control and management of the Company. There can be no assurance that the new management will be able to grow our business, decrease losses or implement future plans.

Pursuant to the meeting of the joint lenders forum held on July 4, 2023, the lenders of the Company, namely Bank of India, Union Bank of India, State Bank of India, Axis Bank Limited, HDFC Bank Limited, IDBI Bank, Punjab National Bank, Indian Bank and South Indian Bank have approved of settlement of outstanding dues aggregating to ₹ 222.99 crores against a one-time settlement of ₹ 144.00 crores, consisting of upfront deposit of ₹ 20.00 crores in a no-lien account, ₹ 79.00 crores as fund based deposits and a counter bank guarantee of ₹ 45.00 crores issued by IndusInd Bank. In furtherance of the one-time settlement with the lenders of the Company, we have inducted Indocrest Defence Solutions Private Limited as a members of the Promoter Group. Pursuant to a preferential allotment on January 24, 2024, our Corporate Promoter was allotted 74,96,592 Equity Shares representing 42.77% of the issued, subscribed and paid-up capital of our Company. As the preferential allotment was made under Regulation 164A of the SEBI ICDR Regulations, no open offer was required to be made in terms of the SEBI SAST Regulations. Further, the existing Board of Directors of the Company resigned and subsequently, each of our current Directors has been inducted to our Board.

There can be no assurance that our new management will be able to implement their strategies in a timely manner or at all and be able to revive the financial positions of our Company, including growing our business and decreasing our operating losses. In the event of any failure of the new management to revive our Company, we may not be able to make profits and our future prospects may not materially improve.

5. We were subject to insolvency proceedings by our lenders, which have been withdrawn pursuant to a one time settlement. There can be no assurance that we will be able to grow our business, decrease losses or implement future plans.

In view of the acute financial crisis faced by the Company, the lenders of the Company had declared the loan facilities granted to the Company as a non-performing asset. Consequently, Bank of India, as the lead bank of the consortium, had filed a petition under Section 7 of the Insolvency and Bankruptcy Code ("**IBC**") before the National Company Law Tribunal ("**NCLT**"), Kolkata Bench on September 28, 2022. In view of the ongoing discussions and negotiations between the management of the Company and the consortium lenders for a debt resolution process, the matter was adjourned by the NCLT from time to time. Thereafter, our Company together with our Corporate Promoter submitted a one time settlement proposal with the lenders for repayment of certain portion of our outstanding debt. Upon sanction of the one time settlement ("**OTS**") by the sanctioning authority of Bank of India on October 26, 2023, the said petition filed under Section 7 of the IBC was withdrawn by Bank of India on November 7, 2023 through an Interim Application filed before the NCLT. Subsequently, on receipt of the amounts under the OTS, Bank of India has issued its NOC to the Company on February 3, 2024.

We have been able to exit the IBC process through infusion of funds into the Company and a change in the management of the Company. There can be no assurance that our new management will be able to implement their strategies in a timely manner or at all and be able to revive the financial positions of our Company, including growing our business and decreasing our operating losses. In the event of any failure of the new management to revive our Company, we may not be able to make profits and our future prospects may not materially improve.

6. ***Our Company and our Individual Promoters have criminal proceedings pending against them in respect of being classified as fraudulent borrowers. While we have repaid our lenders pursuant to a one-time settlement, the criminal matters have not been withdrawn or disposed off in our favour. In the absence of such disposal or withdrawal, there can be no assurance that these pending matters will not impact our ability to avail further borrowings in a timely manner or at commercially acceptable rates or at all.***

Our Company and our Individual Promoters were classified as fraudulent borrowers by HDFC Bank Limited and an FIR dated November 28, 2022 was registered against our Company, our Individual Promoters, our previous directors and a previous employee in the Karaya Police Station. Thereafter the Chief Judicial Magistrate, Alipore by way of an order dated November 29, 2022 directed the Inspector-in-charge of Karaya Police Station to commence investigation basis the complaint received and FIR lodged and to submit the findings of its investigations. Upon conclusion of investigations, a final report was filed by the investigating officer dated October 30, 2023, wherein the investigating officer found no prima facie case made out under the relevant sections of the Indian Penal Code and declared the offences stated in the complaint of HDFC Bank Limited to be civil in nature and recommending discharge of all the accused. Additionally, we have pursuant to a one-time settlement offer, settled all outstanding dues of HDFC Bank Limited and HDFC Bank Limited has issued a no-dues certificate dated February 8, 2024. The criminal matter is currently pending before the Chief Judicial Magistrate, Alipore and the next date of hearing is May 2, 2024.

While we have repaid our lenders pursuant to a one-time settlement, the criminal matters have not been withdrawn or disposed off in our favour. In the absence of such disposal or withdrawal, there can be no assurance that these pending matters will not impact our ability to avail further borrowings in a timely manner or at commercially acceptable rates or at all.

7. ***We have in the past been subject to penalties for non-compliance with the requirements of the SEBI Listing Regulations. Our Equity Shares are currently placed under Enhanced Surveillance Measures by the Stock Exchanges and there is limited trading in our Equity Shares.***

Our Company has in the past received notices from BSE Limited and the National Stock Exchange of India Limited in June 2022 and July 2022, levying penalty for non-compliance with provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including under Regulation 24A for non-submission of secretarial audit report for Fiscal 2022 and Regulation 33 for non-submission of standalone results for March 31, 2022. The Stock Exchanges have levied monetary penalties, frozen the entire shareholding of the Individual Promoters and certain members of the Promoter Group and placed the trading of the Equity Shares under the trade-for-trade segment. Our Company has subsequently paid the fines imposed by the Stock Exchanges.

Further, our Equity Shares are currently placed under Enhanced Surveillance Measures by the Stock Exchanges and this allows for limited trading in our Equity Shares on a weekly basis via a periodic call auction route. Further, our

Equity Shares are settled on a trade-for-trade basis. For such time as our Equity Shares remain under such enhanced surveillance measures or limited trading is permitted in our Equity Shares, our Shareholders and potential investors will not be able to freely trade in our Equity Shares. Further, the ESM also permits trading of our Equity Shares within a fixed price band which in turn will limit the ability of Shareholders and potential investors to trade in our Equity Shares. There can be no assurance that we would not be subject to future penalties by the Stock Exchanges or that our Equity Shares will be removed from enhanced surveillance measures in a timely manner or at all. The continued enhanced surveillance will restrict the ability of Shareholders and potential investors to trade feely in our Equity Shares.

Further, we have received advisory letters from BSE and NSE each dated April 2, 2024 with respect to non-compliance with the requirements of Regulation 17(1C) of the SEBI Listing Regulations, in respect of seeking shareholders' approval for appointment of directors to our Board. The Stock Exchanges have advised our Company to be careful in future and exercise due diligence while submitting any such disclosures to the Stock Exchanges. We have made necessary disclosure of the above advisory letters of April 3, 2024. There can be assurance that we would not receive such advisory letters in the future or that we would not be subjected to penalties on account of any future violations.

8. ***We have received notices from SEBI, the Enforcement Directorate and the Directorate of Revenue Intelligence and Enforcement. There can be no assurances that we will not be subject to penalties pursuant to such notices or that we would not receive further notices. Any adverse action pursuant to such notices may adversely impact our operations, trading in our Equity Shares and our future prospects.***

We have in the past received the following notices:

a) Our Company received an intimation of liability under the Goods and Services Tax Act, 2017 for payment of input tax credit wrongly availed and utilised along with penalty, dated November 10, 2022 from the Directorate of Commercial Taxes, Kolkata. The intimation alleged that our Company had wrongfully availed an utilised input tax credit of ₹ 1,437.04 lakhs in Fiscal 2021 and directing our Company to pay an amount of ₹ 3,290.79 lakhs towards such wrongful input tax credit availment and penalty and interest thereon. Our Company submitted reply to the intimation of liability by way of its letter dated January 12, 2023, denying any wrongful availment of input tax credit and seeking a withdrawal of the notice.

b) Our Company received a letter (SEBI/HO/CFID/CFID_3/OW/2022/14214/1) dated March 31, 2022 from the Corporate Finance Investigation Department, SEBI pursuant to a complaint registered on the SCORES platform, seeking information from our Company in relation to alleged fraudulent entries in our financials for Fiscal 2021 and seeking our connection to an entity under investigation. By way of our letter dated April 11, 2022, our Company submitted that the matter was already under parallel investigation by the Directorate of Revenue Intelligence and Enforcement, Kolkata branch ("**DRI Kolkata**") and accordingly praying that SEBI await the outcome of the investigation by DRI Kolkata. Subsequently, we received an email communication from SEBI seeking submission of the details sought by way of their letter dated March 31, 2022. Pursuant to subsequent email exchanges between our Company and SEBI, we have submitted information sought by SEBI and have sought extension of time for submission of balance information on account on ongoing investigation by DRI Kolkata and audit processes. Thereafter we received a letter dated October 31, 2022 from SEBI seeking submission of incremental information to which our Company has responded by way of emails dated November 4, 2022, November 25, 2022 and December 20, 2022. Thereafter, our Company has received a summons for production of documents dated December 22, 2022 from SEBI, under Sections 11(2), 11C(2) and 11C(3) of the SEBI Act, for furnishing information and documents in relation to the above matter. By way of our letter dated January 9, 2023, we have submitted the relevant information sought by SEBI.

   Subsequent to the perusal of information submitted by our Company, SEBI has issued a show cause notice (SEBI/EAD-1/SKS/LD/24841/1/2023) dated June 16, 2023 to our Company and one of our Individual Promoters, Sumit Mazumder, alleging fraudulent and unfair trade practices and knowingly publishing wrong, false and misleading financial statements for Fiscal 2020 and Fiscal 2021. By way of letter dated July 24, 2023, our Company has responded to the show cause notice denying the allegations, while our Individual Promoter has responded to the show cause notice denying the allegations by way of a letter dated July 25, 2023. Further, the Adjudicating Officer granted our Company and our Individual Promoter, personal hearing on August 7, 2023 wherein it was submitted that no offences relating to the dealing in securities of the Company had been made out in the show cause notices. Our Company made a further submission dated August 14, 2023 reiterating the submissions made at the personal hearing. The matter is currently pending.

c) Our Company received letters dated February 18, 2022 and March 14, 2022 from the Enforcement Directorate, directing our Company to submit proof of realisation of bill for exports dated January 30, 2015. By way of our letter dated August 12, 2022, we ave submitted to the Enforcement Directorate that amounts under the bill had been received and that the bill realisation certificate was pending receipt of from the AD bank on account of a merger between the erstwhile State Bank of Bikaner and Jaipur with the State Bank of India. We have not received any further communication in this respect.

There can be no assurance that we would not be subject to penalties pursuant to the above show cause notices or intimations or that we would be able to defend ourselves against the claims made by regulatory authorities. In the event of any adverse orders against our Company, our Directors or our Promoters, we may have to incur significant expenses and management efforts in defending such matters and such adverse orders may require us to procure additional funding which may not be available at commercially reasonable rates or at all. Accordingly, any adverse action pursuant to such notices may adversely impact our operations, trading in our Equity Shares and our future prospects.

9. The success of our business is dependent on our procurement systems, supply chain management and efficient logistics, and any disruption in the same may affect our business adversely.

We are subject to material risks and concerns due to supply chain disruptions, including non-availability of critical components, both from imported as well indigenous sources. The supply chain situation for TIL was impacted due to its dependence on procured items sourced from various parts of the country and other parts of the world including USA, Europe and East Asia. The timing mismatch of lockdown in various geographies negatively impacted the Company's ability to connect required components for completing the manufacturing process. This, along with the impact of closure of the Company's factories due to Covid guidelines passed by local authorities affected dispatches and collections, leading to acute liquidity crunch. This had a negative impact on our production schedules, which in turn translated into severe cash flow and working capital concerns.

There has been an increase in prices of construction equipment, mainly due to increasing input costs along with a change in emission norms. Any inability to maintain stable supply network with suppliers in these countries or any adverse political, economic or social condition in these countries, may lead to disruption or delay in supply of goods to us, which may have an adverse impact on our business, results of operations and financial condition. Further, in the event, any anti-dumping or import duty were to be levied on such imports or vendors or imports from such countries or vendors is prohibited or restricted, the import of goods may become unviable for us or may be disrupted, which may adversely impact our operations and financial results.

10. Our Order Book may not be representative of our possible future results as projects included in our Order Book, particularly for the projects where we have emerged as the lowest bidder, may be cancelled, modified or delayed for reasons which may be considered to be beyond our control and such cancellation, modification or delay may materially and adversely affect our business, future prospects, reputation, financial condition and results of operation.

As on December 31, 2023, our Order Book amounted to ₹ 246.70 crores and sets forth the expected revenue from ongoing projects of our Company. We prepare our Order Book on the basis of the percentage and value of work completed and the outstanding work in relation to the projects forming part of the Order Book. Our Order Book, indicates only the outstanding value of work under the relevant contracts existing as of that particular date and should not be misconstrued to include value of works awarded to our Company subsequent to December 31, 2023.

The Order Book may vary materially if the time taken or amount payable for completion of orders of our Company changes. In addition, there may be a risk that the actual revenue from operations may vary substantially from the projected value of our Order Book due to cancellation of the projects which have been awarded to us, in terms of the contractual arrangement with our clients. Furthermore, we have also emerged as the lowest bidder in a few projects and in the event, we are not awarded any project for which we have emerged as the lowest bidder due to any reason whatsoever, our actual revenue for a particular period may not meet our forecast for the said period.

Additionally, the risk of adverse modification of agreed schedule of our ongoing projects due to factors beyond our control or the control of our clients, including, political unrest and other forms of unforeseeable force majeure events exists. Accordingly, we cannot predict with certainty the extent to which a project forming part of our Order Book will be performed. Further, such delays in the completion of an order or cancellation of an order may lead to delays or refusal in payment of the consideration in respect of such project. Our clients may also be entitled to terminate the agreement in the event of delay in completion of the order if the delay is not on account of any of the agreed exceptions. In addition, where an order is concluded as scheduled, our client may delay, default or otherwise fail to pay amounts owed to us. Such payments often represent an important portion of the margin we expect to earn from orders.

Moreover, if any of our projects are cancelled or terminated prematurely, there can be no assurance that our Company will receive the applicable termination payments in time or at all or that the amount paid will be adequate to enable our Company to recover its investments in the prematurely cancelled order. In such events, we may have to bear the actual costs for activities incurred by us which may exceed the agreed work, as a result of which our future earnings may be lower from the amount of the Order Book and if any of the forgoing risks materialize, our cash flow position, revenues and earnings may be adversely affected.

11. Any disruption, breakdown or shutdown of our manufacturing facilities may have a material adverse effect on our business, financial condition, results of operations and cash flows.

We have two manufacturing facilities which are located at West Bengal, in India. For details, see "*Our Business – Our Manufacturing Facilities and Properties*" on page 61. We are dependent on our manufacturing facilities for design, manufacture and assembly of products manufactured by us. Our manufacturing facilities are concentrated in West Bengal and events impacting those geographical areas may disrupt our production and operations. Further, our manufacturing facilities are subject to operating risks, such as the breakdown or failure of equipment, disruption in power supply or processes, severe weather conditions, performance below expected levels of efficiency, obsolescence, logistical issues, labor disputes, natural disasters, industrial accidents, infectious diseases, political instability, the need to comply with the directives of relevant government authorities and the requirement to obtain certain material approvals to operate our manufacturing facilities. For instance, our manufacturing facilities were shut pursuant to the lockdowns imposed during COVID-19 pandemic which impacted approximately 30 days of our total production.

Our clients rely significantly on the timely delivery of orders. While we seek to ensure that our orders are completed on time, our client relationships, business and financial results may be adversely affected by any disruption, shutdown of operations of our manufacturing facilities or project related services, due to any of the factors mentioned above.

12. Fluctuation in cost of raw materials or any shortages, delay or disruption in the supply of the raw materials we use in our manufacturing process due to factors beyond our control or may have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our operations are dependent upon the price and availability of the raw materials that we require for the manufacturing of products. We intend to keep inventory of 130-150 days for our key raw materials, including specialty steel and components sourced from overseas OEMs, but also require other raw materials which are procured on an advance payment basis, subject to receipt of orders. If we face shortage in raw materials in the future, there can be no assurance that we may be able to acquire the raw materials from the market in a timely manner and at a reasonable price, or at all, and if we are not able to procure raw materials in sufficient quantities, we may not be able to manufacture our products or provide our services according to our pre-determined timeframes or as contracted with our clients, at our previously estimated product costs, or at all. Therefore, any shortage, delay or disruption in supply of any of our raw materials could have an adverse effect on our business, results of operations, cash flows and reputation.

The prices and supply of these raw materials are also affected by, among others, general economic conditions, volatility in commodity markets, competition, production costs and levels, the occurrence of pandemic (such as COVID-19), transportation costs, indirect taxes and import duties, tariffs and currency exchange rate. If we are unable to pass on cost increases to our clients or are unsuccessful in managing the effects of raw material price fluctuations, our business, financial condition, results of operations and cash flows could be materially and adversely affected.

Increase in prices of unhedged commodities or unavailability of hedging limits may adversely affect our results of operations if there is an increase in the cost of the raw materials we procure.

Additionally, suppliers may stop manufacturing raw materials for us on acceptable terms in future and we may be unable to find alternative manufactures in a timely and efficient manner and on acceptable terms or at all. Other risks associated with our reliance on the suppliers to manufacture the raw materials include, quality assurance and timely delivery of the raw materials, misappropriation of our designs, limited ability to manage our inventory, financial and economic condition of the contract manufacturers etc. Moreover, if any of our suppliers suffer any damage to their facilities, theft of materials, encounter financial difficulties, are unable to secure necessary raw materials from their suppliers or suffer any other reduction in efficiency, we may experience significant business disruption. In the event of any such disruption, we would need to seek and source other qualified suppliers, likely resulting in further delays and increased costs, which could affect our business adversely.

13. ***Our defence equipment business is largely dependent on contracts from the GoI and associated entities including defence public sector undertakings and government organizations. A decline or reprioritisation of the Indian defence budget, reduction in orders, termination of existing contracts, delay of existing or anticipated contracts or programmes or any adverse change in the GoI's defence related policies may have a material adverse impact on our business.***

Our defence equipment business is dependent on projects and programmes undertaken by GoI and associated entities, such as defence public sector undertakings and government organizations (collectively, the "**GoI Entities**").

Further, our contracts depend upon the continuing availability of budgets extended to the Ministry of Defence ("**MoD**"). While there has been an increase in the total defence allocations by the GoI over a period of time, the level of defence and space spending and changes in the tax policies by the GoI in the future are difficult to predict and may be impacted by numerous factors such as the evolving nature of the national security concerns, foreign policy, domestic political environment and macroeconomic conditions. The GoI's defence related policies will have a material impact on our business.

Given that we derive a significant portion of our total sales from contracts with GOI Entities and that we will continue to cater to GOI Entities, we are exposed to various risks inherent in doing business with GOI Entities. These risks include participation in GOI Entities contracts could subject us to stricter regulatory requirements which may increase our compliance costs; GOI Entities tenders are awarded to the lowest bidder that meets the technical conditions of the tender, which makes winning GOI Entities tenders difficult. In addition, if we have to lower our pricing in order to win tenders, it would exert pressure on our margins; the tender process is long and may be subject to significant delays; terms and conditions of GOI Entities contracts, including requests for proposals and tenders tend to be more onerous and are often more difficult to negotiate than those for other commercial contracts; and GOI Entities contracts may not include a cap on direct or consequential damages, which could cause us to assume additional risks and incur additional expenses in servicing these contracts.

A decline or reprioritisation of the Indian defence or space budget, reduction in orders, termination of existing contracts, delay of existing or anticipated contracts or programmes or any adverse change in the GoI Entities' defence or space requirements and geo-political circumstances, may have a material adverse impact on our business and profitability.

14. ***We may not qualify for or win bids to further expand our business, which may have an adverse effect on our business, financial condition, results of operations and prospects.***

Our defence business depends on our ability to qualify for and win bids undertaken by GoI Entities for awarding contracts. Our Company obtains a majority of its defence business through a competitive bidding process in which it competes for project awards based on, among other things, pricing, technical and technological expertise, reputation for quality, financing capabilities and track record. The bidding and selection process is affected by a number of factors, including factors which may be beyond our control, such as market conditions, project delays, scope adjustments, or external economic factors. Any increase in competition during the bidding process or reduction in our competitive capabilities could have a material adverse effect on our market share.

In addition to meeting bid capacity requirements, we may also be required to pre-qualify for the orders involving GoI Entities such as in relation to background checks and prior experience of the bidders. However, we cannot assure that we shall always maintain our bid capacity and our pre-qualification capabilities, and that we shall be able to continually secure projects so as to enhance our business operations, financial performance and results of operations. Further, such pre-qualification criteria may also change from time to time. Our inability to fulfil and maintain the bid and pre-qualification capabilities may materially impact our operating revenue and profitability.

There can be no assurance that our current or potential competitors will not offer products and solutions comparable or superior to those that we offer at the same or lower prices, adapt more quickly to industry challenges, or expand their operations at a faster pace than we do. Increased competition may result in price reductions, reduced profit margins and loss of market share, thereby causing an adverse effect on our operations, prospects and financial condition.

15. ***We are subject to government regulations and if we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required for our business, our results of operations and cash flows may be adversely affected.***

We are required to obtain and maintain a number of statutory and regulatory licences, registrations, permits and approvals under central, state and local government rules in India, generally for carrying out our business and for our manufacturing facilities. In addition, we will need to apply for renewal of certain approvals, licenses, registrations and permits, which expire or seek new approvals, licenses, registrations and permits from time to time, as and when required in the ordinary course of our business. Obtaining licences, registrations, permits and approvals or their renewals are time consuming processes and subject to frequent delays. We have obtained a number of licences, registrations, permits and approvals from the relevant authorities and are renewing such statutory approvals periodically for the existing facilities.

There is no assurance that licences, registrations, permits and approvals or renewals required by us for our operations will be issued or granted to us or updated in a timely manner, or at all. If we do not receive such licences, registrations, permits and approvals or renewals in a timely manner, it could result in cost and time overrun or our business and operations may be adversely affected. Moreover, certain approvals granted to us by statutory authorities may be revoked at any point of time due to circumstances which may or may not be within our control and this could have an adverse impact on our business and operations. For further details, see "*Government and Other Approvals*" on page 280.

Our licences, registrations, permits and approvals are also subject to certain conditions, some of which may be onerous and require us to incur expenditure towards compliance with such conditions. We may also not be aware of certain approvals or permissions, which we may be required to maintain or acquire for undertaking our operations, under any new regulation or amended regulation made by any local or State Government. Any inability to obtain, maintain or renew licences, registrations, permits and approvals required for our operations may adversely affect continuity of our operations.

Further, in order to sell our products, our products must be approved by government agencies in the countries in which we do business. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, it may reduce our revenues, increase costs, adversely affect our business, financial condition and results of operations.

16. ***We have significant working capital requirements. If we experience insufficient cash flows from our operations or are unable to borrow to meet our working capital requirements, it may materially and adversely affect our business, cash flows and results of operations.***

Our business requires significant working capital including in connection with our manufacturing operations, financing our inventory, purchase of raw materials and our development of new products which may be adversely affected by changes in terms of credit and payment. We are required to maintain a high level of working capital because our business activities are characterised by long product development periods and production cycles. Even where milestone payments are allowed, these have to be backed by bank guarantees. Delays in payment under on-going contracts or reduction of advance payments due to lower order intake or inventory and work in progress increases and/or accelerated payments to suppliers, could adversely affect our working capital, lower our cash flows and materially increase the amount of working capital to be funded through external debt financings.

We may also be unable to adequately finance our working capital requirements on account of various factors, including extraneous factors such as delay in disbursements under our financing arrangements, increased interest rates, insurance or other costs, or borrowing and lending restrictions or finance our working capital requirements on commercially acceptable terms or at all, each of which may have a material adverse effect on our business, financial condition, prospects and results of operations. These factors may result, or have resulted, in increase in the amount of our receivables and short-term borrowings. Continued increase in our working capital requirements may have an adverse effect on our financial condition and results of operations.

The actual amount and timing of our future capital requirements may differ from estimates as a result of, among other factors, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, engineering design changes, technological changes and additional market developments. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations.

17. ***If we are unable to manage our growth effectively, our business, future financial performance and results of operations could be materially and adversely affected.***

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. As part of our growth strategy, we aim to, among other things, continue to grow our businesses as and when opportunities exist including by expansion of product portfolio and cross selling products and services to our existing customers. For details, see “*Our Business – Our Strategies*” on page 59.

This could place significant demands on our operational, credit, financial and other internal risk controls. In pursuing our growth strategy, we will require additional capital investments and cash outlays, which may have a material impact on our cash flows and results of operations. As our product portfolio and product pipeline grow, we may require additional personnel on our project management, quality assurance and other teams to work with our partners on quality assurance, regulatory affairs and product development. As a result, our operating expenses and capital requirements may increase significantly. Our ability to manage our growth effectively requires us to forecast accurately our sales, growth and manufacturing capacity and to expend funds to improve our operational, financial and management controls, reporting systems and procedures. We may also be exposed to certain other risks, including difficulties arising from operating a larger and more complex organisation; the failure to (i) efficiently and optimally allocate management, technology and other resources across our organisation, (ii) compete effectively with competitors and (iii) increase our production capacity; the inability to control our costs; and unforeseen legal, regulatory, property, labour or other issues.

Further, our future business plan is dependent on our ability to raise funds through debt or equity and we may have difficulty obtaining funding on acceptable terms or at all. Adverse developments in the Indian credit markets may significantly increase our debt service costs and the overall cost of our funds. Moreover, even if we secure the required funding, there is no assurance that we will be able to successfully expand our production capacity or diversify our product and solutions portfolio. We may also face difficulties in effectively implementing new technologies required in designing, developing and manufacturing new products and solutions and may not be able to recover our investments. An inability to implement our future business plan, manage our growth effectively or failure to secure the required funding on favourable terms or at all could have a material and adverse effect on our business, future financial performance and results of operations.

18. ***Our financing agreements impose certain restrictions on our operations, and our failure to comply with operational and financial covenants may adversely affect our reputation, business and financial condition.***

As of December 31, 2023, our aggregate outstanding indebtedness was ₹ 12,364 lakhs, excluding loans availed from our Promoters. Some debt financing agreements entered into by our Company contain restrictive covenants, and/or events of default that limit our ability to undertake certain types of transactions, which may adversely affect our business and financial condition. We are required to obtain prior consent from some of our lenders for, among other matters, to effect any change in the shareholding pattern of the Company and alter the constitutional documents. Moreover, our immovable properties and assets have been offered as a collateral for some of our loans. Our financing agreements also require us to maintain certain financial ratios and it can be recalled by lenders in certain circumstances. If the lenders exercise their right to recall a loan, it could have an adverse effect on our or these companies’ reputation, business and financial position.

We cannot assure you that we will have or will be able to comply with all such restrictive covenants in a timely manner or at all, or that we will be able to comply with all such restrictive covenants in the future. Any failure to comply with the conditions and covenants in our financing agreements that is not waived by our lenders or guarantors or otherwise cured could lead to discontinuation of our credit facilities or acceleration of all amounts due under such facilities, which could adversely affect our financial position and our ability to conduct and implement our business plans.

If our future cash flows from operations and other capital resources are insufficient to pay our debt obligations or our contractual obligations, or to fund our other liquidity needs, we may be forced to sell assets or attempt to restructure or refinance our existing indebtedness. Our ability to restructure or refinance our debt will depend on the condition of the capital markets, our financial condition at such time and the terms of our other outstanding debt instruments. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments may restrict us from adopting some of these alternatives. In addition, any failure to make payments of interest or principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our creditworthiness or credit rating, which could harm our ability to incur additional indebtedness on acceptable terms.

19. We rely on our information technology systems and third parties for procuring IT services to process transactions, summarize results and manage our business. Disruptions in both our primary and secondary (backup) systems could harm our ability to run our business.

It is critical that we maintain uninterrupted operation of our business' critical information technology systems. Our information technology systems, including our back-up systems, are subject to damage or interruption from power outages, computer and telecommunications failures, computer viruses, security breaches, catastrophic events such as fires, tornadoes and hurricanes, and usage errors by our employees. If our information technology systems and our back-up systems are damaged or cease to function properly, we may have to make significant investment to fix or replace them, and we may suffer interruptions in our operations in the interim.

Any material interruption in both of our information technology systems and back-up systems may have a material adverse effect on our business or results of operations. Further, if we fail to integrate our information technology systems and processes we may fail to realize the benefits anticipated to be derived from these initiatives. Any delay in implementation, problems in transition to new systems or any disruptions in its functions may adversely impact our business operations. Further, if we are not able to obtain IT systems and services from third parties in a cost effective manner, it may affect our technology operations which may have an effect on our business operations and financial results.

20. ***Negative publicity if any, would adversely affect the value of our brand, and our sales.***

Our business is dependent on the trust our customers have in the quality of our products. If we fail to adequately protect our intellectual property, competitors may market products similar to ours. Any negative publicity regarding our Company, brands, or products, including those arising from a drop in quality of our products, or any other unforeseen events could adversely affect our reputation our brand value, our operations and our results from operations.

21. The success of our business is dependent on our senior and key management team and our inability to retain them or the loss of any member of our senior management team could adversely affect our business if we are unable to find equally skilled replacements.

Our Company is managed by a team of professionals to oversee its operations and growth. Our performance and success depends on our senior and key management team to manage our current operations and meet future business challenges. Our ability to sustain our growth depends, in large part, on our ability to attract, train, motivate and retain highly skilled personnel. There is significant competition for management and other skilled personnel in our industry. Our inability to hire and retain additional qualified personnel will impair our ability to continue to expand our business. The Chairman and Managing Director of our Company has substantial responsibilities for strategizing our growth. The loss of the services of such personnel or the Chairman and Managing Director of our Company and our inability to hire and retain additional qualified personnel may have an adverse effect on our business, financial condition and results of operations. An increase in the rate of attrition of our experienced employees, would adversely affect our growth strategy. We cannot assure you that we will be successful in recruiting and retaining a sufficient number of personnel with the requisite skills or to replace those personnel who leave. Further, we cannot assure you that we will be able to re-deploy and re-train our personnel to keep pace with continuing changes in our business. The loss of the services of such personnel and our inability to hire and retain additional qualified personnel may have an adverse effect on our business, results of operations and financial condition.

22. ***Industry information included in this Letter of Offer has been derived from publicly available sources. There can be no assurance that such third- party statistical, financial and other industry information is complete, reliable or accurate.***

We have not independently verified data obtained from publicly available sources referred to in this Letter of Offer and therefore, while we believe them to be accurate, complete and reliable, we cannot assure you that they are accurate, complete or reliable. Such data may also be produced on different bases. Therefore, discussions of matters relating to the home furniture industry, are subject to the caveat that the statistical and other data upon which such discussions are based may be inaccurate, incomplete or unreliable. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy, adequacy or completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry and government sources and publications are also prepared on the basis of information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions that may prove to be incorrect. Accordingly, no investment decision should be made on the basis of such information.

23. ***In the event our contingent liabilities that have not been provided for, materializes, our liquidity, business, prospects, financial condition and results of operations may be adversely affected.***

As March 31, 2023, the following contingent liabilities are appearing in our Audited Financial Statements:

Sl. No.	Particulars	As at March 31, 2023
a.	Sales Tax / Value Added Tax Matters under dispute [Related payments ₹ Nil (31.03.2022: Nil)]	2,192
b.	Goods and Services Tax Matters under dispute	959
c.	Income Tax Matters under dispute [Related payments (including amounts adjusted by the Department) ₹ 307 Lakhs (31.03.2022: ₹ 268 Lakhs)]	377
d.	Service Tax Matters under dispute [Related payments ₹ 26 Lakhs (31.03.2022: ₹ 26 Lakhs)]	960
e.	Excise Duty Matters under dispute [Related payments ₹ 13 Lakhs (31.03.2022: Nil)]	336
f.	Bank Guarantee Outstanding	4,579

Pursuant to final order passed by the Single Bench of Hon'ble Calcutta High Court, the Company has stopped paying Entry Tax on procurement of Indigenous and Imported Goods into West Bengal, with effect from 1st June 2013. The writ petition No. 922 of 2012 filed by TIL has been treated as disposed of in the High Court and the records thereof have been sent to the WB Taxation Tribunal. TIL has filed a petition before the West Bengal Taxation Tribunal. The related unpaid amount till 31st March 2023 is ₹ 632 Lakhs (31.03.2022 : ₹ 632 Lakhs).

In the event our contingent liabilities that have not been provided for materializes, our liquidity, business, prospects, financial condition and results of operations may be affected.

24. ***Our Company has in the past entered into related party transactions and will continue to do so in the future. Such transactions or any future transactions with related parties may potentially involve conflict of interest and impose certain liabilities on our Company.***

We have in the past entered into transactions with enterprises over which our Directors and KMPs have a significant influence. While all such transactions have been conducted on an arm's length basis and in compliance with applicable law, we cannot assure you that we might not have obtained more favourable terms had such transactions been entered into with unrelated parties. Further, it is likely that we may enter into related party transactions in the future. Such related party transactions may potentially involve conflicts of interest.

Although in terms of the Companies Act and the SEBI Listing Regulations, we are required to adhere to various compliance requirements such as obtaining prior approvals from our Audit Committee, Board of Directors and Shareholders for certain related party transactions, there can be no assurance that such transactions, individually or in the aggregate, will receive the necessary approvals in future. Accordingly, any future transactions with our related parties could potentially involve conflicts of interest, which may be detrimental to our Company. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, results of operations, financial condition and cash flows. For further details of our related party transactions, see "*Financial Statements*" on page 67.

25. Our Promoters and Promoter Group will continue to have significant shareholding in us after the Rights Issue, which will allow them to exercise significant influence over us.

As on January 24, 2024, 1,31,43,390 Equity Shares agreegating to 74.99% of the paid up share capital of our Company are owned by the Promoters and Promoter Group. After the completion of the Rights Issue, our Promoters and Promoter Group will continue to have significant shareholding in our Company. Accordingly, the Promoters and Promoter Group are likely to have the ability to exercise significant control over most matters requiring approval by shareholders, including the election and removal of directors and significant corporate transactions except for matters requiring approval through majority of minority shareholders as per the requirements of the SEBI Listing Regulations. Our Promoters and Promoter Group will be able to influence our major policy decisions. This control could also delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from obtaining control of our Company even if it is in our best interests. The interests of our controlling shareholders could conflict with the interests of our other shareholders, including the holders of the Equity Shares, and the controlling shareholders could make decisions that adversely affect your investment in the Equity Shares.

26. We depend on third parties for our logistics and transportation needs. Any disruptions in the same may adversely affect our operations, business, cash flows and financial condition.

We do not have an in-house transportation facility and we rely on third party transportation and other logistic facilities at every stage of our business activity including for procurement of products from our suppliers and for transportation from our distribution centres to various retail outlets. Although we have insurance for transit of goods, it may be difficult for us to recover damages for damaged, delayed or lost goods.

Our operations and profitability are dependent upon the availability of transportation and other logistic facilities in a time and cost-efficient manner. Accordingly, our business is vulnerable to increased transportation costs, transportation strikes and lock-outs, shortage of labour, delays and disruption of transportation services for events such as weather related problems and accidents. Further, movement of goods encounters additional risks such as accidents, pilferage, spoilage, shrinkage and our inability to claim insurance may adversely affect our operations, results of operations and financial condition. Although we have not experienced any material logistics and transport related disruptions in the past, any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or non-supply or may require us to look for alternative sources which may not be cost-effective, thereby adversely affecting our operations, results of operations, cash flows and financial condition.

27. Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.

We maintain insurance that we consider to be sufficient typical in our industry in India and in amounts which are commercially appropriate for a variety of risks, including fire, burglary, terrorist activities, group medical and group personal accident insurance. However, such insurance may not be adequate to cover all losses or liabilities that may arise from our business operations, particularly if the loss suffered is not easily quantifiable. Our insurance policies contain exclusions and limitations on coverage, as a result of which, we may not be able to successfully assert our claims for any liability or loss under such insurance policies. Additionally, there may be various other risks and losses for which we are not insured because such risks are either uninsurable or not insurable on commercially acceptable terms. Furthermore, there can be no assurance that in the future we will be able to maintain insurance of the types or at levels which we deem necessary or adequate or at premiums which we deem to be commercially acceptable. For further details, see the chapter titled "*Our Business*" on page 57.

The occurrence of an event for which we are not insured, where the loss is in excess of insured limits occurs or where we are unable to successfully assert insurance claims from losses, could result in uninsured liabilities. Further, despite such uninsured losses we may remain obligated for any financial indebtedness or other obligations related to our business. Any such uninsured losses or liabilities could result in an adverse effect on our business and financial results.

28. We will not distribute the Letter of Offer, Abridged Letter of Offer and Application Form to overseas Shareholders who have not provided an address in India for service of documents.

We will dispatch the Issue Material to shareholders who have provided an address in India for service of documents. The Issue Material will not be distributed to addresses outside India on account of restrictions that apply to circulation of such materials in overseas jurisdictions. However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as through e -mail. Presently, there is lack of clarity under the Companies Act and the rules made thereunder with respect to distribution of Issue Material in overseas jurisdictions where such distribution may be prohibited under the applicable laws of such jurisdictions. While we have requested all the shareholders to provide an address in India for the purposes of distribution of Issue Material, we cannot assure you that the regulator or authorities would not adopt a different view with respect to compliance with the Companies Act and may subject us to fines or penalties.

29. As the securities of our Company are listed on Stock Exchanges in India, our Company and our Promoters are subject to certain obligations and reporting requirements under Insider Trading Regulations, Takeover Code and Listing Regulations. Any non – compliances / delay in complying with such obligations and reporting requirements may render us / our Promoter liable to prosecution and/or penalties.

Our Company and our Promoters are subject to certain obligations and reporting requirements under Insider Trading Regulations, Takeover Code and Listing Regulations. Though our Company and our Promoters endeavour to comply with all such obligations/reporting requirements, there have been certain instances of non-compliance and delays in complying with such obligations/reporting requirements, such as delay for submission of events by our Company relating to initiating of corporate insolvency resolution process ("**CIRP**") against the Company, appointment of resolution professional, settlement between the Company and operational creditor and withdrawal of CIRP by the National Company Law Tribunal- Mumbai Bench. Although our Company/our Promoters have responded and explained the causes of such delays/non-complinace, there could be a possibility that penalties may be levied against our Company/our Promoters for of non-compliance and delays in complying with such obligations/reporting requirements.

30. There have been instances of non-compliances/delayed compliances and discrepancies in the statutory filings in the past.

In past, there have been instances of inadvertent non-compliances / delayed compliances with the provisions of the Companies Act by our Company including delay in filing certain statutory forms with the RoC. Although till date, we have not received any show cause notice from the RoC or other authorities for the said non-compliances/delayed compliances, we cannot assure that we will not be subject to any action including levy of penalty by the RoC or other authorities.

31. The deployment of funds raised through this Issue shall not be subject to monitoring by any monitoring agency and shall be purely dependent on the discretion of the management of our Company in accordance with applicable law.

Since the size of the Issue is less than ₹10,000 Lakhs, no monitoring agency is required to be appointed by our Company to oversee the deployment of funds raised through this Issue. The deployment of funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company in accordance with applicable law and will not be subject to monitoring by any independent agency. The Board of Directors of our

Company through Audit Committee will monitor the utilization of the Issue proceeds. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

32. ***We are exposed to foreign currency exchange rate fluctuations, which may harm our results ofoperations and cause our financial results to fluctuate.***

Our financial statements are presented in Indian Rupees. However, some of our operating expenses and finance charges are influenced by the currencies of those countries where import of our products. We import some of our products like furniture and home décor items from other countries like Indonesia, China, Malaysia, Thailand, Vietnam, United States and Germany. During the nine months period ended December 31, 2022 and for the Fiscal 2022, our imported stocks accounted for approximately 15.89 % and 23.61 % of our total cost of purchase of stock-in-trade for that period. The exchange rate between the Indian Rupee and these currencies has fluctuated in the past and our results of operations have been impacted by such fluctuations and may be impacted by such fluctuations in the future.

Depreciation of the Indian rupee against the U.S. Dollar and other foreign currencies may adversely affect our results of operations by increasing the cost of our products. Volatility in the exchange rate and/or sustained appreciation of the Indian Rupee will negatively impact our revenue and operating results.

External Risk Factors

33. ***Economic, political or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

The Indian economy and its securities markets are influenced by political conditions, economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Negative economic developments, such as rising Financial Year or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India and could then adversely affect our business, financial performance and the price of the Equity Shares.

Further, other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our developments and expansions; volatile inflation rates in India in recent years, which could cause a rise in the costs of rent, wages and raw materials; volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges; changes in India's tax, trade, Financial Year or monetary policies; occurrence of natural or man-made disasters; prevailing regional or global economic conditions, including in India's principal export markets; and other significant regulatory or economic developments in or affecting India.

Our performance and the growth of our business are dependent on the health of the overall Indian economy. A slowdown in the Indian economy could adversely affect the policy of the Indian government towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy. Any of the abovementioned factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition, cash flows and results of operations and reduce the price of the Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of the Equity Shares.

34. ***Terrorist attacks, civil disturbances, regional conflicts and other acts of violence in India and abroad may disrupt or otherwise adversely affect the Indian economy, the health of which our business depends on.***

India has from time to time experienced social and civil unrest and terrorist attacks. These events could lead to political or economic instability in India. Events of this nature in the future could have a material adverse effect on our ability to develop our business. As a result, our business, results of operations and financial condition may be adversely affected. India has also experienced social unrest, Naxalite violence and communal disturbances in some parts of the country. If such tensions occur in places where we operate or in other parts of the country, leading to overall political and economic instability, it could adversely affect our business, results of operations, financial condition and trading price of our Equity Shares.

35. ***Our business and activities are regulated by the Competition Act, 2002.***

The Competition Act, 2002, as amended (the "**Competition Act**") seeks to prevent practices that could have an appreciable adverse effect on competition. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and may attract substantial penalties. Any agreement among competitors, or practice or decision in relation to, enterprises or persons engaged in identical or similar trade of goods or provision of services which directly or indirectly determines purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares markets or source of production or provision of services by way of allocation of geographical area, types of goods or services or number of customers in the relevant market or directly or indirectly results in bid rigging or collusive bidding is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits the abuse of a dominant position by any enterprise. Provisions of the Competition Act relating to acquisitions, mergers or amalgamations of enterprises that meet certain asset or turnover thresholds and regulations issued by the Competition Commission of India with respect to notification requirements for such combinations became effective in June 2011. Further our acquisitions, mergers or amalgamations may require the prior approval of the Competition Commission of India, which may not be obtained in a timely manner or at all.

If we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, any enforcement proceedings initiated by the Competition Commission of India, any other relevant authority under the Competition Act, any claim by any party under the Competition Act or any adverse publicity that may be generated due to scrutiny or prosecution by the Competition Commission of India, our business and financial performance may be materially and adversely affected. Further the Competition Commission of India has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. However, we cannot predict the impact of the provisions of the Competition Act on the agreements entered into by us at this stage.

36. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.***

Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business. There can be no assurance that the Indian government may not implement new regulations and policies which will require us to obtain approvals and licences from the Indian government and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition, cash flows and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations or cash flows. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

37. ***Changes in trade policies may affect us.***

We are continuing to expand our international operations as part of our growth strategy. Any change in policies by the countries, in terms of tariff and non-tariff barriers, from which our suppliers import or export their raw materials or components, or countries to which we export our products, may have an adverse effect on our profitability. Furthermore, we import various raw materials including APIs that are not produced in-house by us, intermediates, primary packaging materials and secondary packaging materials directly from our international suppliers. Any change in export policies by the countries in which our suppliers are based may have an adverse impact on our business.

38. ***Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind AS contained in this Letter of Offer.***

Our Audited Financial Statements contained in this Letter of Offer have been prepared and presented in accordance with Ind AS. Ind AS differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Ind AS and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Ind AS contained in this Letter of Offer. Accordingly, the degree to which the financial information included in this Letter of Offer will provide meaningful information and is dependent on your familiarity with Ind AS and the Companies Act. Any reliance by persons not familiar with Ind AS on the financial disclosures presented in this Letter of Offer should accordingly be limited.

39. It may not be possible for investors to enforce any judgment obtained outside India against us or any of our directors and executive officers in India respectively, except by way of a law suit in India on such judgment.

Our Company is incorporated under the laws of the Republic of India all of its directors reside in India. As a result, it may be difficult for investors to enforce the service of process upon our Company and any of our directors and executive officers India or to enforce judgments obtained against our Company and these persons in courts outside of India.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes the United Kingdom, United Arab Emirates, Singapore and Hong Kong. Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908 ("**Civil Code**"). Section 44A of the Civil Code provides that where a certified copy of a decree of any superior court, within the meaning of that Section, in any country or territory outside India which the Government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the same nature of amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalties and does not apply to arbitration awards (even if such awards are enforceable as a decree or judgment).

A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit upon the judgment under Section 13 of the Civil Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and/ or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. The suit must be brought in India within three years from the date of judgment in the same manner as any other suit filed to enforce a civil liability in India.

Further, there are considerable delays in the disposal of suits by Indian courts. It may be unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it may be unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy in India. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI under FEMA to repatriate any amount recovered pursuant to execution and any such amount may be subject to income tax in accordance with applicable laws. Any judgment or award in a foreign currency would be converted into Indian Rupees on the date of the judgment or award and not on the date of the payment.

40. Rights of shareholders under Indian laws may differ from the laws of other jurisdictions.

Our Articles of Association and Indian law govern our corporate affairs. Indian legal principles related to these matters and the validity of corporate procedures, Directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as one of our shareholders than as a shareholder of a company in another jurisdiction.

RISKS RELATING TO THE EQUITY SHARES AND THIS ISSUE

41. ***Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.***

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncee(s) may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements.

42. ***Applicants to the Issue are not allowed to withdraw their bids after the Issue Closing Date.***

In terms of the SEBI ICDR Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation or financial condition, or other events affecting the Applicant's decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Rights Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

43. ***The Rights Entitlements of Eligible Equity Shareholders holding Equity Shares in physical form ("Physical Shareholders") may lapse in case they fail to furnish the details of their demat account to the Registrar.***

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two working days prior to the Issue Closing Date (i.e., on or before June 14, 2023) to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two working days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares).

44. ***Any future issuance of the Equity Shares, or convertible securities by our Company may dilute your future shareholding and sale of the Equity Shares by our Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, or convertible securities by our Company, including through exercise of employee stock options or restricted stock units may lead to dilution of your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. Further, any future sales of the Equity Shares by the Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.

45. You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares. The Finance Act, 2019 has clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments have come into effect from July 1, 2020.

46. There is no guarantee that our Equity Shares will be listed in a timely manner or at all, and any trading closures at the Stock Exchanges may adversely affect the trading price of our Equity Shares.

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchanges until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future.

Secondary market trading in our Equity Shares may be halted by a stock exchange because of market conditions or other reasons. Additionally, an exchange or market may also close or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted, which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at a particular point in time.

47. The Issue Price of the Rights Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.

The Issue Price of the Rights Equity Shares will be determined by our Company in consultation with the Lead Manager and the Designated Stock Exchange. This price may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to resell your Equity Shares at or above the Issue Price. There can be no assurance that an active trading market for the Equity Shares will be sustained after this Issue, or that the price at which the Equity Shares have historically traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

48. Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.

Under the Companies Act, any company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

49. There may not be an active or liquid market for our Equity Shares, which may cause the price of the Equity Shares to fall and may limit your ability to sell the Equity Shares.

The price at which the Equity Shares will trade after this Issue will be determined by the marketplace and may be influenced by many factors, including:

- our financial results and the financial results of the companies in the businesses we operate in;
- the history of, and the prospects for, our business and the sectors in which we compete;
- the valuation of publicly traded companies that are engaged in business activities similar to us; and
- significant developments in India's economic liberalization and deregulation policies.

In addition, the Indian equity share markets have from time to time experienced significant price and volume fluctuations that have affected the market prices for the securities of Indian companies. As a result, investors in the Equity Shares may experience a decrease in the value of the Equity Shares regardless of our operating performance or prospects.

50. Foreign investors are subject to foreign investment restrictions under Indian law that limit our ability to attract foreign investors, which may adversely affect the trading price of our Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the requirements specified by the RBI. If the transfer of shares is not in compliance with such requirements or falls under any of the specified exceptions, then prior approval of the RBI will be required. In addition, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or tax clearance certificate from the income tax authority. Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

SECTION III – INTRODUCTION

THE ISSUE

This Issue has been authorised through a resolution passed by our Board at its meeting held on February 14, 2024, pursuant to Section 62(1) (a) of the Companies Act, 2013.

The following is a summary of this Issue, and should be read in conjunction with and is qualified entirely by, the information detailed in "*Terms of the Issue*" on page 287.

Equity Shares proposed to be issued	Up to 4,90,75,199 Rights Equity Shares
Rights Entitlements	28 Rights Equity Shares for every 10 Equity Share held on the Record Date.
Record Date	March 22, 2024
Face value per Equity Share	₹ 10
Issue Price per Rights Equity Share	₹ 10
Issue Size	Up to ₹ 4,907.52 lakhs* **Assuming full subscription*
Equity Shares issued, subscribed and paid-up prior to the Issue	1,75,26,857 Equity Shares of ₹ 10 each
Equity Shares issued, subscribed and paid-up after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	6,66,02,056 Equity Shares of ₹ 10 each
Security Codes	**ISIN:** INE806C01018 **BSE:** 505196 **NSE:** TIL **ISIN for Rights Entitlements:** INE806C20018
Use of Issue Proceeds	For details, see "*Objects of the Issue*" on page 44.
Terms of the Issue	For details, see "*Terms of the Issue*" on page 287.
Terms of Payment	The full amount of the Issue Price being ₹ 10 will be payable on application.

GENERAL INFORMATION

Our Company was originally incorporated on May 10, 1974 under the Companies Act, 1956 as Spundish Engineers Private Limited with the Registrar of Companies, Maharashtra at Mumbai. Further, pursuant to a scheme or arrangement, Tractors India Limited was amalgamated with our Company and the name of our Company was subsequently changed to TIL Limited and a fresh certificate of incorporation was issued on October 4, 1985 by the Registrar of Companies, Maharashtra at Mumbai. The Registered Office our Company was shifted from Maharashtra to West Bengal pursuant to a special resolution of our Shareholders and confirmed by way of an order of the Company Law Board dated September 6, 1986 and our Company received a certificate of registration of the order of the court confirming transfer of the office from Maharashtra to West Bengal dated January 6, 1987. For details of change in name and registered office of our Company, see "*General Information*" on page 36.

Registered Office, Corporate Identity Number and Registration Number

TIL Limited
1, Taratolla Road
Garden Reach
Kolkata 700 024
West Bengal, India
Telephone: +91 22 2469 3732 -36
E-mail: secretarial.department@tilindia.com
Website: www.tilindia.in

Corporate Identity Number: L74999WB1974PLC041725
Registration Number: 041725

Changes in the Registered Office Address

By way of a certificate of registration of the order of the court confirming transfer of our office, our registered office was shifted to 1, Taratolla Road, Garden Reach, Kolkata 700 024, West Bengal, India.

Address of the RoC

Our Company is registered with the Registrar of Companies, West Bengal at Kolkata, which is situated at the following address:

Registrar of Companies
Nizam Palace, 2nd MSO Building,
2nd Floor, 234/4, A.J.C. Bose Road,
Kolkata – 700 020,
West Bengal, India

Company Secretary and Compliance Officer

Sekhar Bhattacharjee
1, Taratolla Road, Garden Reach
Kolkata 700 024
West Bengal, India
Telephone: +91 33 2469 3732 -36
E-mail: secretarial.department@tilindia.com

Statutory Auditors of our Company

M/s Singhi & Co, Chartered Accountants
161, Sarat Bose Road, Kolkata - 700026
Contact Person: G L Choudhary

Telephone: +91 98311 75720
E-mail: glchoudhary@singhico.com
Firm registration no. 302049E

Advisor to the Issue

DAM Capital Advisors Limited
One BKC, Tower C,
15th Floor, Unit No. 1511,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051
Maharashtra, India
Telephone: +91 22 4202 2500
Email: til.rights@damcapital.in
Investor Grievance Email: complaint@damcapital.in
Website: www.damcapital.in
Contact Person: Chandresh Sharma / Akshay Bhandari

Statement of responsibilities

As the Issue size is less than ₹ 5,000 million, Chapter III of the SEBI ICDR Regulations is not applicable in terms of Regulation 60 of the SEBI ICDR Regulations. Accordingly, there is no requirement to appoint a lead manager in terms of Regulation 69 of the SEBI ICDR Regulations. The Company has not appointed any lead manager in respect to the Issue.

Legal Advisor to the Issue

J. Sagar Associates
One Lodha Place, 27th Floor
Senapati Bapat Marg, Mumbai 400 013
Maharashtra, India
Telephone: +91 22 4341 8900

Registrar to the Issue

Link Intime India Private Limited
C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg
Vikhroli (West),
Mumbai – 400 083,
Maharashtra, India.
Telephone: +91 810811 4949
E-mail: til.rights@linkintime.co.in
Investor grievance E-mail: til.rights@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Ms. Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs, giving full details such as name, address of the Applicant, contact number(s), E-mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, see "*Terms of the Issue*" on page 287.

Expert

Except as stated below, our Company has not obtained any expert opinion:

Our Company has received a written consent from our Statutory Auditors, M/s Singhi & Co, Chartered Accountants, to include their name in this Letter of Offer and as an "expert", as defined under Section 2(38) of the Companies Act 2013, to the extent and in their capacity as statutory auditors of our Company and in respect of the inclusion of their reports on Audited Financial Statements and the Limited Review Unaudited Financial Results, included in this Letter of Offer, and such consent has not been withdrawn as of the date of this Letter of Offer.

Our Company has received a written consent from M/s V Singhi & Associates, Chartered Accountants, to include their name in this Letter of Offer and as an "expert", as defined under Section 2(38) of the Companies Act 2013, to the extent and in their capacity as independent chartered accountants of our Company and in respect of the inclusion of the statement of special tax benefits dated April 15, 2024 included in this Letter of Offer, and such consent has not been withdrawn as of the date of this Letter of Offer.

Banker to the Company

IndusInd Bank Limited
2, Upper Wood Street
J B House, Kolkata 700 016
Contact Person: Swati Chandak
Telephone: +91 33 4427 2123
E-mail: swati.chandak@indusind.com
Website: www.indusind.com
CIN: L65191PN1994PLC076333

Banker to the Issue and Refund Banker

IndusInd Bank Limited
PNA House, 4th Floor, Plot No. 57, Road No. 17
MIDC Andheri East
Mumbai – 400 093
Telephone No. +91 22 6106 9318/9306/9412
E-mail: nseclg@indusind.com
Website: www.indusind.com
Contact Person: Kaushik Chatterjee
SEBI Registration No. INBI00000002

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

Issue Schedule

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Issue Opening Date	Friday, April 26, 2024
Last Date for On Market Renunciation of Rights Entitlements#	Monday, May 6, 2024
Issue Closing Date*	Friday, May 10, 2024
Finalization of Basis of Allotment (on or about)	Friday, May 17, 2024

Date of Allotment (on or about)	Monday, May 20, 2024
Initiation of refunds	Monday, May 20, 2024
Date of credit (on or about)	Wednesday, May 22, 2024
Date of listing (on or about)	Friday, May 24, 2024

#Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

**Our Board or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., May 8, 2024 to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., May 9, 2024.

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company, the Lead Manager or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. For details on submitting Application Forms, see "*Terms of the Issue*" beginning on page 287.

The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar at www.linkintime.co.in after keying in their respective details along with other security control measures implemented there at. For further details, see "*Terms of the Issue"* on page 287.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.

Credit Rating

This being a Rights Issue of Equity Shares, the appointment of a credit rating agency is not required.

Debenture Trustee

This being a Rights Issue of Equity Shares, the appointment of debenture trustee is not required.

Monitoring Agency

Since the Issue size does not exceed ₹ 10,000 Lakhs there is no requirement to appoint a monitoring agency in relation to the Issue under SEBI ICDR Regulation.

Appraising Entity

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution or any other independent agency.

Underwriting

This Issue is not underwritten and our Company has not entered into any underwriting arrangement.

Filing

This Letter of Offer is being filed with the Stock Exchanges i.e. BSE and NSE as per the provisions of the SEBI ICDR Regulations. Further, in terms of SEBI ICDR Regulations, our Company shall file the copy of this Letter of Offer with the SEBI at its office located at SEBI Bhavan, Plot No. C4-A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India and will email the same to SEBI at cfddil@sebi.gov.in, for the purpose of their information and dissemination on its website.

Minimum Subscription

The objects of the Issue do not involve financing of capital expenditure.

Our Corporate Promoter, Indocrest Defence Solutions Private Limited, have, by the Promoter Subscription Letter, confirmed that they shall:

(i) subscribe to their Rights Entitlements in the Issue and that they shall not renounce the Rights Entitlements (except to the extent of Rights Entitlements renounced by any of them in favour of the other Promoter or other member(s) of our Promoter Group);

(ii) to additional Rights Equity Shares including subscribing to any unsubscribed portion in the Issue, if any, or subscription pursuant to Rights Entitlement acquired through renunciation, either individually or jointly and/ or severally with the Promoter(s) or any other members of the Promoter Group, subject to compliance with the applicable laws/ regulations; and

(iii) comply with applicable regulatory requirements within such timelines and in such manner as permitted under applicable laws / regulations should their shareholding along with the other Promoters and members of the Promoter Group, be in excess of the minimum public shareholding requirements under Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with rule 19(2) and Rule 19A of the Securities Contracts (Regulations) Rules, 1957, each as amended.

In terms of the SEBI ICDR Regulations, the requirement of minimum subscription of 90% is not applicable to the Issue.

CAPITAL STRUCTURE

The share capital of our Company as on date of this Letter of Offer and the details of the Equity Shares proposed to be issued in the Issue, and the issued, subscribed and paid-up share capital after the Issue is set forth below:

(In ₹ lakhs, except share data)

Particulars	Aggregate value at nominal value	Aggregate value at issue price
AUTHORISED SHARE CAPITAL		
7,00,00,000 Equity Shares of ₹ 10 each	7,000.00	
TOTAL AUTHORISED SHARE CAPITAL	7,000.00	
ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL		
1,75,26,857 Equity Shares of ₹ 10 each	1,752.26	
PRESENT ISSUE IN TERMS OF THIS LETTER OF OFFER(1)		
Up to 4,90,75,199 Rights Equity Shares (for Eligible Equity Shareholders) of ₹ 10 each	4,907.52	4,907.52
ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE(1)(2)		
6,66,02,056 Equity Shares of ₹ 10 each*	6,660.21	6,660.21
SECURITIES PREMIUM ACCOUNT		
Before the Issue		8,111.00
After the Issue		8,111.00

(1)*The Issue has been authorised by our Board through its resolution dated February 14, 2024 pursuant to Section 62 of the Companies Act, 2013 and other applicable provisions.*
(2)*Assuming full subscription by the Eligible Equity Shareholders of the Rights Equity Shares.*
**Subject to finalization of Basis of Allotment, Allotment and deduction of Issue expenses.*

Notes to Capital Structure

1. **Shareholding Pattern of our Company**

i. The details of the shareholding pattern of our Company as on January 24, 2024 can be accessed on the website of BSE at https://www.bseindia.com/stock-share-price/til-ltd/til/505196/shareholding-pattern/ and NSE at https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=TIL&tabIndex=equity.

ii. The details of shareholders of our Company holding 1% or more of the paid-up capital as on January 24, 2024 can be accessed on the website of BSE at https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=505196&qtrid=120.01&QtrName=24-Jan-24 and NSE at https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=TIL&tabIndex=equity.

iii. The details of the Equity Shares held by our Promoter and members of our Promoter Group as on January 24, 2024, including details of Equity Shares which are locked-in, pledged or encumbered can be accessed on the website of BSE at https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=505196&qtrid=120.01&QtrName=24-Jan-24 and NSE at https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=TIL&tabIndex=equity.

iv. Statement showing holding of Equity Shares of persons belonging to the category "Public" including shareholders holding more than 1% of the total number of Equity Shares as on January 24, 2024 can be accessed at https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=505196&qtrid=120.01&QtrName=24-Jan-24 and https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=TIL&tabIndex=equity.

2. **Details of outstanding instruments as on the date of this Letter of Offer**

As on the date of this Letter of Offer, there are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares or any other right, which would entitle any person to any option to receive Equity Shares.

3. Except as disclosed below, no Equity Shares held by our Promoters or Promoter Group have been locked-in, pledged or encumbered as on January 24, 2024:

Shareholder	Number of Equity Shares	Equity Shares as a percentage of total shares
Equity Shares locked-in		
Indocrest Defence Solutions Private Limited	74,96,592	42.77%
Equity Shares encumbered		
Individual Promoters and members of the Promoter Group	56,46,798	32.22%

Note: *Our Individual Promoters have provided a non-disposal undertaking of their entire shareholding as well as the shareholding of the members of the Promoter Group, in aggregate amounting to 56,46,798 Equity Shares in favour of our Corporate Promoter.*

4. Except as disclosed below, our Promoters and Promoter Group have not acquired any Equity Shares in the one year immediately preceding the date of filing of this Letter of Offer with Designated Stock Exchange except the following.

Sr. No	Name of shareholder	Pre-acquisition holding	No. of Equity Shares acquired	Post-acquisition holding	Mode	Date of Acquisition
1.	Indocrest Defence Solutions Private Limited	Nil	74,96,592	74,96,592	Preferential Allotment	January 24, 2024

5. **Intention and extent of participation by our Promoters and Promoter Group**

Our Corporate Promoter, Indocrest Defence Solutions Private Limited, have by way of the Promoter Subscription Letter confirmed that they shall:

(i) subscribe to their Rights Entitlements in the Issue and that they shall not renounce the Rights Entitlements (except to the extent of Rights Entitlements renounced by any of them in favour of the other Promoter or other member(s) of our Promoter Group);

(ii) to additional Rights Equity Shares including subscribing to any unsubscribed portion in the Issue, if any, or subscription pursuant to Rights Entitlement acquired through renunciation, either individually or jointly and/ or severally with the Promoter(s) or any other members of the Promoter Group, subject to compliance with the applicable laws/ regulations; and

(iii) comply with applicable regulatory requirements within such timelines and in such manner as permitted under applicable laws / regulations should their shareholding along with the other Promoters and members of the Promoter Group, be in excess of the minimum public shareholding requirements under Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with rule 19(2) and Rule 19A of the Securities Contracts (Regulations) Rules, 1957, each as amended.

The acquisition of Rights Equity Shares by our Promoters and our Promoter Group, over and above its Rights Entitlements, as applicable, or subscription to the unsubscribed portion of this Issue, shall not result in a change of control or the management of our Company. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations.

6. The ex-rights price of the Equity Shares as per Regulation 10(4)(b) of SEBI SAST Regulations is ₹ 157.15.

7. At any given time, there shall be only one denomination of the Equity Shares of our Company.

All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as date of this Letter of Offer. Further, the Rights Equity Shares allotted pursuant to the Issue, shall be fully paid up.

OBJECTS OF THE ISSUE

We intend to utilize the gross proceeds raised through the Issue (the "**Gross Proceeds**") after deducting the Issue related expenses ("**Net Proceeds**") for the following objects:

1. Funding incremental working capital requirements of our Company;
2. General corporate purposes.

   (Collectively, referred to as the "***Objects***")

The main object clause of our Memorandum of Association enables our Company to undertake its existing activities.

Issue Proceeds

The details of the Issue Proceeds are set forth in the following table:

(₹ in lakhs)

Particulars	Estimated Amount
Gross Proceeds*	4,907.52
Less: Issue related expenses	227.50
Net Proceeds	**4,680.02**

**Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

Requirement of funds and utilisation of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details set forth in the following table:

(₹ in lakhs)

Particulars	Estimated Amount
Funding incremental working capital requirements of our Company	3,750.00
General corporate purposes*	930.02
Net Proceeds*	**4,680.02**

**Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

Utilization of Net Proceeds and schedule of implementation

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(₹ in lakhs)

Sr. No.	Particulars	Amount to be deployed from Net Proceeds	Estimated deployment of Net Proceeds	
			Fiscal 2024	Fiscal 2025
1.	Funding incremental working capital requirements of our Company	3,750.00	Nil	3,750.00
2.	General corporate purposes*	930.02	Nil	930.02
Net Proceeds**		**4,680.02**	**Nil**	**4,680.02**

** The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

*** Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment.*

The above fund requirements are based on our current business plan, management estimates and have not been appraised by any bank or financial institution. Our Company's funding deployment schedule are subject to revision in the future at the discretion of our Board in accordance with applicable law and will not be subject to monitoring by any independent agency. Further, in case the Net Proceeds are not completely utilised in a scheduled Fiscal Year due to any reason, the same would be utilised (in part or full) in the next Fiscal Year. For further details, please see the section titled "*Risk factors - The deployment of funds raised through this Issue shall not be subject to monitoring by any monitoring Agency and shall be purely dependent on the discretion of the management of our Company"* on page 28.

In case of any increase in the actual utilisation of funds earmarked for any of the Objects of the Issue or a shortfall in raising requisite capital from the Net Proceeds, such additional funds for a particular activity will be met through means available to us, including by way of incremental debt and/or internal accruals.

Means of Finance

The requirements of funds for the Objects of the Issue detailed above are intended to be funded from the Net Proceeds. Accordingly, our Company confirms that there is no requirement for it to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue.

Details of the Objects of the Issue

1. Funding incremental working capital requirements of our Company

We fund a majority of our working capital requirements in the ordinary course of business from various banks, non-banking financial institutions, inter-corporate loans and internal accruals. As on February 3, 2024, the outstanding amount under the fund based working capital facilities of our Company was ₹4,000 lakhs and the outstanding amount under non-fund-based facilities availed by our Company, was nil.

Our Company requires additional working capital for funding its incremental working capital requirements in Fiscal 2025. The funding of the incremental working capital requirements of our Company will lead to a consequent increase in our revenue and profitability and in achieving the proposed targets as per our business plan.

Basis of estimation of incremental working capital requirement

Existing working capital

The details of our Company's composition of net current assets or working capital as at December 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021, derived from the Audited Financial Statements, are as under:

(₹ in lakhs)

S. No	Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
I.	**Current assets**				
A.	**Inventories**				
	Raw Materials	8,938	1,018	10,878	1,409
	Work-in-Progress	2,329	1,893	3,437	458
	Stock-in-trade	1,868	1,909	1,967	2,863
	Stores and Spares	106	115	2	183
	Sub-Total (A)	**13,241**	**4,935**	**16,283**	**4,913**
B.	**Financial Assets**				
	Investments	1,300	100	800	9
	Trade receivables	2,769	3,019	261	23,851
	Cash and cash equivalents	6	100	7	13
	Bank balances other than cash and cash equivalents	8	8	364	514
	Others	338	274	266	404
	Other Current Assets	1,813	1,659	172	5,426

S. No	Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
	Sub-Total (B)	**6,234**	**5,160**	**1,870**	**30,217**
	Total current assets (I = A + B)	**19,475**	**10,095**	**18,153**	**35,130**
II.	**Current liabilities**				
A.	Financial Liabilities				
	Borrowings	12,364	24,859	22,089	23,918
	Lease Liabilities	100	94	111	39
	Trade Payables	15,539	12,542	9,284	7,072
	Other financial liabilities	354	2,512	431	83
	Sub-Total (A)	**28,357**	**40,007**	**31,915**	**31,112**
B.	Other Current Liabilities	7,951	7,529	7,313	5,319
C.	Provisions	857	88	39	208
	Total current liabilities (II = A+B+C)	**37,165**	**47,624**	**39,267**	**36,639**
III.	**Total working capital requirement (III) = (I) - (II)**	**(17,690)**	**(37,529)**	**(21,113)**	**(1,509)**
IV.	**Fund pattern**				
A.	Working Capital Facilities	N.A.	N.A.	N.A.	N.A.
B.	Internal accruals	N.A.	N.A.	N.A.	N.A.

** As certified by V. Singhi & Associates, Chartered Accountants by a certificate dated April 15, 2024.*

Notes:

1. *The company was declared NPA by its consortium vendors and thereby working capital facilities was not available since 2021-2022.*
2. *Company went into loss since 2021-2022 and therefore there were no internal accruals available. Due to non availability of funds, the current liabilities of the company were more than the current assets. Hence the net working capital of the company was negative in these years.*

<u>*Future working capital requirements*</u>

On the basis of the existing working capital requirements, management estimates and projected working capital requirements, our Board has, pursuant to its resolution dated February 14, 2024 approved the projected working capital requirements for Fiscal 2024 and Fiscal 2025, as set out below.

(₹ in lakhs)

S. No.	Particulars	Fiscal 2024	Fiscal 2025
I.	**Current assets**		
A.	**Inventories**		
	Raw Materials	10,498	8,729
	Work-in-Progress	2,779	2,015
	Finished Goods	-	-
	Stock-in-trade	2,007	2,551
	Stores and Spares	155	135
	Sub-Total (A)	**15,439.00**	**13,430.00**
B.	**Financial Assets**		
	Investments	10	10
	Trade receivables	7,405.00	16,721.00
	Cash and cash equivalents	2,195	3,126
	Others	274	274
	Other Current Assets	2,659	1,659

S. No.	Particulars	Fiscal 2024	Fiscal 2025
	Sub-Total (B)	**12,543.00**	**21,790.00**
	Total current assets (I = A+B)	**27,982.00**	**35,220.00**
A.	Financial Liabilities		
	Borrowings	6,000.00	10,250.00
	Lease Liabilities	94.00	94.00
	Trade Payables	10,388.00	12,202.00
	Other financial liabilities	92.00	92.00
	Sub-Total (A)	**16,574.00**	**22,638.00**
B.	Other Current Liabilities	3,659.00	3,659.00
C.	Provisions	88.00	88.00
	Total current liabilities (II)	**20,321.00**	**26,385.00**
III.	**Total working capital requirement (III) = (I) - (II)**	**7,661.00**	**8,835.00**
IV.	**Fund pattern**		
A.	Working Capital Facilities**	5,000.00	7,500.00
	Internal accruals	-	-
C	Usage from Net Proceeds	-	3,750.00

** As certified by V. Singhi & Associates, Chartered Accountants by a certificate dated April 15, 2024.*
*** Based on sanctioned working capital limits from IndusInd Bank as on date.*

Our Company proposes to utilize ₹ 3,750 lakhs from the Net Proceeds towards funding our incremental working capital requirements in the manner set out above.

Key assumptions for working capital projections made by our Company:

Holding levels

The following table sets forth the details of the holding period (with days rounded to the nearest) considered:

Particulars	No of days for the year ended March 31, 2021 (Actual)	No of days for the year ended March 31, 2022 (Actual)	No of days for the year ended March 31, 2023 (Actual)	No of days for the nine month ended December 31, 2023 (Actual)	No of days for the year ended March 31, 2024 (Assumed)	No of days for the year ended March 31, 2025 (Assumed)
A. Current Assets						
(a) Inventory						
Raw Materials	24	1,288	120	1,335	411	130
Work-in-progress	8	407	224	348	109	30
Stock-in-trade	48	233	221	279	78	30
Stores & spares	3	21	14	16	6	2
Trade receivables	**236**	**124**	**213**	**241**	**178**	**134**
B. Current Liabilities						
Trade Payables	119	1,100	1,484	2,321	406	181

Key Assumptions and Justification for Holding levels

INVENTORY HOLDING ASSUMPTIONS
TILL MAR 2023 : The company was making reasonable performance both in terms of turnover & profit till 2021 which however, post COVID scenario, was badly hit due to the stressed environment coupled with other hazardous bottlenecks. There were inconsitent growth , increased cost coupled with less orders in hand. Therefore, due to piling up of inventory & not getting proper orders resulted in deterioration in working capital management which triggered an increase in holding days for the entire gamut of inventory(stores, raw materials, wip & finished goods)
Mar 2024 onwards : The scenario will make a turnaround in the current fiscal as well as in coming years & its performance will improve substantially both in terms of sales & EBITDA. This would be possible since the company has got good orders in hand and there is a better churning of working capital elements resulting in effective working capital management . This will substantially reduce our inventory holding days for all elements viz. raw materials, wip, stores & finished goods.
TRADE RECEIVABLES ASSUMPTIONS
TILL MAR 2023 : TILL Mar 23, the company's sales low due to COVID scenario, stressed environment hazardous bottlenecks, sticky debtors and hence DSO was quite high. Lack of follow up with govt customers , inconsistent debtors & low orders in hand also resulted in high DSO
Mar 2024 onwards : The scenario will make a turnaround in the current fiscal as well as in coming years & the DSO level will come down substantially. This would be possible since the company has got good orders in hand, increased sales force , realisation of fund from sticky debtors, etc will improve our overall DSO This willl further strengthen our overall cash flows
TRADE PAYABLES ASSUMPTIONS
TILL MAR 2023 : TILL Mar 23, the company's running through an acute cash crunch postion due various factos like post COVID effects, stressed environment, low business, etc Our overall reserves was negitive and hence no of creditors were not paid by the earlier management ultimately resulting in very high payable days
Mar 2024 onwards : With the complete change in the management of the company and infusion of funds by the new management coupled with better business scenario, the company is going to pay off all the old creditores as well as new creditors well on tiime . Payment of creditors well in time will further increase our creditors credibility and this will lead to better working capital management. Overall, we will be having a reduced payable days in 2024 along with years to come.

Pending Order Book

The Company has a pending order book as shown below that justifies the estimated working capital requirement as projected:

Particulars	Amount (₹ in crores)
Machines	225.00
After Market	22.00
Total	**247.00**

2. **General Corporate Purposes**

The Net Proceeds will first be utilized for the Objects as set out above. Subject to this, our Company intends to deploy balance left out of the Net Proceeds, aggregating to ₹ 930.00 Lakhs, towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Gross Proceeds from the Issue, in compliance with the SEBI ICDR Regulations. Such utilisation towards general corporate purposes shall be to drive our business growth, including, amongst other things including but not limited funding our growth opportunities, strengthening marketing capabilities and brand building exercises, and strategic initiatives and any other purpose as permitted by applicable laws; subject to meeting regulatory requirements and obtaining necessary approvals / consents, as applicable.

The quantum of utilization of funds towards any of the above purposes will be determined based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Board will have flexibility in utilizing surplus amounts, if any.

Estimated Issue related expenses

The total expenses of the Issue are estimated to be approximately ₹ 227.50 lakhs. The expenses of the Issue include, among others, fees of the Advisor to the Issue, fees of the Registrar to the Issue, fees of the other advisors, printing and stationery expenses, advertising, and marketing expenses and other expenses.

The estimated Issue expenses are as under:

Particulars	Estimated expenses (₹ in lakhs)	% of Estimated Issue Expenses	% of Total Issue size
Fees of the Advisor to the Issue, Registrar to the Issue, legal advisor, other professional service providers and statutory fee	142.50	62.64%	2.90%
Fees payable to regulators, including depositories and Stock Exchanges	70.00	30.77%	1.43%
Statutory Advertising, Marketing, Printing and Distribution	10.00	4.39%	0.20%
Other expenses (including miscellaneous expenses and stamp duty)	5.00	2.20%	0.10%
Total estimated Issue expenses*	**227.50**	**100.00%**	**4.63%**

** Subject to finalisation of Basis of Allotment and actual Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds from the Issue.*

Appraisal of the Objects

None of the Objects for which the Net Proceeds will be utilized have been appraised by any agency.

Interim Use of Funds

Pending utilization for the purposes described above, we intend to deposit the Net Proceeds only in scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934 or in any such other manner as permitted under the SEBI ICDR Regulations or as may be permitted by SEBI. We confirm that pending utilization of the Net Proceeds for the Objects of the Issue, our Company shall not utilize the Net Proceeds for any investment in the equity markets, real estate or related products.

Bridge Loan

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Letter of Offer, which are proposed to be repaid from the Net Proceeds.

Monitoring Utilization of Funds from Issue

As this is an Issue for an amount less than ₹10,000 lakhs, there is no requirement for the appointment of a monitoring agency. The Board or its duly authorized committees will monitor the utilization of the proceeds of the Issue. Our Company will disclose the utilization of the Issue Proceeds, including interim use, under a separate head along with details, for all such Issue Proceeds that have not been utilized. Our Company will indicate investments, if any, of unutilized Issue Proceeds in the balance sheet of our Company for the relevant Financial Years subsequent to the listing.

We will also on an annual basis, prepare a statement of the funds which have been utilized for purposes other than those stated in this Letter of Offer, if any, and place it before the Audit Committee and the Board. Such disclosure will be made only until all the Issue Proceeds have been utilized in full. The statement shall be certified by our Statutory Auditor. Further, in accordance with Regulation 32 of the SEBI Listing Regulations, we will furnish to the Stock Exchange on a quarterly basis, a statement including deviations and variations, if any, in the utilization of the Issue Proceeds from the Objects of the Issue as stated above.

Strategic and Financial Partners to the Objects of the Issue

There are no strategic or financial partners to the Objects of the Issue.

Key Industry Regulations for the Objects of the Issue

No additional provisions of any acts, regulations, rules and other laws are or will be applicable to the Company for the proposed Objects of the Issue.

Other Confirmations

Except disclosed above, there is no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds with our Promoters, Directors or Key Management Personnel of our Company and no part of the Net Proceeds will be paid as consideration to any of them. Except disclosed above, none of our Promoters, members of Promoter Group or Directors are interested in the Objects of the Issue.

Our Company does not require any material government and regulatory approvals in relation to the Objects of the Issue.

STATEMENT OF SPECIAL TAX BENEFITS

To,

The Board of Directors
TIL Limited
1, Taratolla Road,
Garden Reach,
Kolkata - 700024

Reg: Proposed rights issue of equity shares of ₹ 10 each (the "Equity Shares") by TIL Limited (the "Company", and such issue, the "Issue")

We, SPS Associates, the independent chartered accountant, hereby consent to the use of our certificates and reports relating to financial information in the Letter of Offer and any other documents in connection to the Issue (collectively defined as **"Issue Documents"**) of the Company to be submitted/filed with the Securities Exchange Board of India (**"SEBI"**), and the relevant stock exchanges where the Equity Shares are proposed to be listed (the **"Stock Exchanges"**).

We also consent to be named as the Independent Chartered Accountant and to the references to us as Independent Chartered Accountant in the Issue Documents.

Further we confirm that we have not been engaged or interested in the formation or promotion or in the management of the Company.

We confirm that we have not been prohibited from directly or indirectly, issuing any certificate under securities laws in India, namely, the Securities Board of India Act, 1992, the Securities Contract (Regulations) Act, 1956, the Depositories Act, 1996, rules, regulations, guidelines made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable provisions of the Companies Act, 2013, the rules, regulations, guidelines made thereunder which are administered by the SEBI.

We also authorize you to deliver a copy of this letter of consent to SEBI and the relevant stock exchanges.

We confirm that we will immediately inform the Company of any changes to the information stated in this letter until the date the Issue of the Company commence trading on the stock exchanges. In the absence of any such communication, the information stated in this letter should be taken as updated information until the date of commencement of listing and trading on the stock exchanges of the Equity Shares of the Company pursuant to the Issue. This certificate may be relied upon by the legal counsel and any lead manager appointed in relation to the Issue.

Yours faithfully,
For SPS Associates
Chartered Accountants
FRN: 012358N

Ashish Bansal
Partner
M. No.:- 511005
Place: New Delhi
Date:

ANNEXURE I

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL DIRECT AND INDIRECT TAX BENEFITS AVAILABLE TO TIL LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS

a. Special tax benefits available to the Company

There are no special tax benefits available to the Company under the provisions of the Income Tax Act, 1961 read with the relevant Income Tax Rules, 1962, the Customs Tariff Act, 1975, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 and Goods and Services Tax (Compensation to States) Act, 2017 read with the relevant Central Goods and Services Tax Rules, 2017, Integrated Goods and Services Tax Rules, 2017, Union Territory Goods and Services Tax Rules, State Goods and Services Tax Rules, 2017 and notifications issued under these Acts and Rules and the foreign trade policy.

b. Special tax benefits available to Shareholders

The shareholders of the Company are also not eligible to any special tax benefits under the provisions of the Income Tax Act, 1961 read with the relevant Income Tax Rules, 1962, the Customs Tariff Act, 1975 and / or Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 and Goods and Services Tax (Compensation to States) Act, 2017 read with the relevant Central Goods and Services Tax Rules, 2017, Integrated Goods and Services Tax Rules, 2017, Union Territory Goods and Services Tax Rules, State Goods and Services Tax Rules, 2017 and notification.

SECTION IV – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The industry related information in this chapter is derived from publicly available information as cited in this chapter. Neither we nor any other person connected with the Issue has verified the information in such publicly available information cited in this chapter. Further, the publicly available information cited in this section was prepared on the basis of information as of specific dates which may no longer be current or reflect current trends. Opinions in these public sources may be based on estimates, projections, forecasts and assumptions that may prove to be incorrect.

Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information.

World Economy Overview and Outlook

The global economic recovery from the COVID-19 pandemic, Russia's invasion of Ukraine, and the cost-of-living crisis is proving surprisingly resilient. Inflation is falling faster than expected from its 2022 peak, with a smaller-than-expected toll on employment and activity, reflecting favorable supply-side developments and tightening by central banks, which has kept inflation expectations anchored. At the same time, high interest rates aimed at fighting inflation and a withdrawal of fiscal support amid high debt are expected to weigh on growth in 2024.

Growth resilient in major economies.

Economic growth is estimated to have been stronger than expected in the second half of 2023 in the United States, and several major emerging market and developing economies. In several cases, government and private spending contributed to the upswing, with real disposable income gains supporting consumption amid still-tight—though easing—labor markets and households drawing down on their accumulated pandemic-era savings. A supply-side expansion also took hold, with a broad-based increase in labor force participation, resolution of pandemic-era supply chain problems, and declining delivery times. The rising momentum was not felt everywhere, with notably subdued growth in the euro area, reflecting weak consumer sentiment, the lingering effects of high energy prices, and weakness in interest-rate-sensitive manufacturing and business investment. Low-income economies continue to experience large output losses compared with their prepandemic (2017–19) paths amid elevated borrowing costs.

Inflation subsiding faster than expected.

Amid favorable global supply developments, inflation has been falling faster than expected, with recent monthly readings near the prepandemic average for both headline and underlying (core) inflation. Global headline inflation in the fourth quarter of 2023 is estimated to have been about 0.3 percentage point lower than predicted in the October 2023 World Economic Outlook on a quarter-over-quarter seasonally adjusted basis. Diminished inflation reflects the fading of relative price shocks—notably those to energy prices—and their associated pass-through to core inflation.1 The decline also reflects an easing in labor market tightness, with a decline in job vacancies, a modest rise in unemployment, and greater labor supply, in some cases associated with a strong inflow of immigrants. Wage growth has generally remained contained, with wage-price spirals—in which prices and wages accelerate together—not taking hold. Near-term inflation expectations have fallen in major economies, with long-term expectations remaining anchored.

High borrowing costs cooling demand.

To reduce inflation, major central banks raised policy interest rates to restrictive levels in 2023, resulting in high mortgage costs, challenges for firms refinancing their debt, tighter credit availability, and weaker business and residential investment. Commercial real estate has been especially under pressure, with higher borrowing costs compounding postpandemic structural changes. But with inflation easing, market expectations that future policy rates will decline have contributed to a reduction in longer-term interest rates and rising equity markets. Still, long-term borrowing costs remain high in both advanced and emerging market and developing economies, partly because government debt has been rising. In addition, central banks' policy rate decisions are becoming increasingly asynchronous. In some countries with falling inflation—including Brazil and Chile, where central banks tightened policy earlier than in other countries—interest rates have been declining since the second half of 2023. In China, where inflation has been near zero, the central bank has eased monetary policy. The Bank of Japan has kept short-term interest rates near zero.

Fiscal policy amplifying economic divergences.

Governments in advanced economies eased fiscal policy in 2023. The United States, where GDP had already exceeded its prepandemic path, eased policy more than did euro area and other economies in which the recovery was incomplete. In emerging market and developing economies, in which output has on average fallen even further below the prepandemic trend, on average the fiscal stance is estimated to have been neutral. The exceptions include Brazil and Russia, where fiscal policy eased in 2023. In low-income countries, liquidity squeezes and the elevated cost of interest payments—averaging 13 percent of general government revenues, about double the level 15 years ago—crowded out necessary investments, hampering the recovery of large output losses compared with prepandemic trends. In 2024, the fiscal policy stance is expected to tighten in several advanced and emerging market and developing economies to rebuild budgetary room for maneuver and curb the rising path of debt, and this shift is expected to slow growth in the near term.

Forecast

Growth Outlook: Resilient but Slow

Global growth, estimated at 3.1 percent in 2023, is projected to remain at 3.1 percent in 2024 before rising modestly to 3.2 percent in 2025. Compared with that in the October 2023 World Economic Outlook, the forecast for 2024 is about 0.2 percentage point higher, reflecting upgrades for China, the United States, and large emerging market and developing economies. Nevertheless, the projection for global growth in 2024 and 2025 is below the historical (2000–19) annual average of 3.8 percent, reflecting restrictive monetary policies and withdrawal of fiscal support, as well as low underlying productivity growth. Advanced economies are expected to see growth decline slightly in 2024 before rising in 2025, with a recovery in the euro area from low growth in 2023 and a moderation of growth in the United States. Emerging market and developing economies are expected to experience stable growth through 2024 and 2025, with regional differences.

World trade growth is projected at 3.3 percent in 2024 and 3.6 percent in 2025, below its historical average growth rate of 4.9 percent. Rising trade distortions and geoeconomic fragmentation are expected to continue to weigh on the level of global trade. Countries imposed about 3,200 new restrictions on trade in 2022 and about 3,000 in 2023, up from about 1,100 in 2019, according to Global Trade Alert data.

These forecasts are based on assumptions that fuel and nonfuel commodity prices will decline in 2024 and 2025 and that interest rates will decline in major economies. Annual average oil prices are projected to fall by about 2.3 percent in 2024, whereas nonfuel commodity prices are expected to fall by 0.9 percent. IMF staff projections are for policy rates to remain at current levels for the Federal Reserve, the European Central Bank, and the Bank of England until the second half of 2024, before gradually declining as inflation moves closer to targets. The Bank of Japan is projected to maintain an overall accommodative stance.

In emerging market and developing economies, growth is expected to remain at 4.1 percent in 2024 and to rise to 4.2 percent in 2025. An upward revision of 0.1 percentage point for 2024 since October 2023 reflects upgrades for several regions.

Growth in emerging and developing Asia is expected to decline from an estimated 5.4 percent in 2023 to 5.2 percent in 2024 and 4.8 percent in 2025, with an upgrade of 0.4 percentage point for 2024 over the October 2023 projections, attributable to China's economy. Growth in China is projected at 4.6 percent in 2024 and 4.1 percent in 2025, with an upward revision of 0.4 percentage point for 2024 since the October 2023 World Economic Outlook. The upgrade reflects carryover from stronger-than-expected growth in 2023 and increased government spending on capacity building against natural disasters. Growth in India is projected to remain strong at 6.5 percent in both 2024 and 2025, with an upgrade from October of 0.2 percentage point for both years, reflecting resilience in domestic demand.

Inflation Outlook: Steady Decline to Target

Global headline inflation is expected to fall from an estimated 6.8 percent in 2023 (annual average) to 5.8 percent in 2024 and 4.4 percent in 2025. The global forecast is unrevised for 2024 compared with October 2023 projections and revised down by 0.2 percentage point for 2025. Advanced economies are expected to see faster disinflation, with inflation falling by 2.0 percentage points in 2024 to 2.6 percent, than are emerging market and developing economies, where inflation is projected to decline by just 0.3 percentage point to 8.1 percent. The forecast is revised down for both 2024 and 2025 for advanced economies, while it is revised up for 2024 for emerging market and developing economies, mainly on account of Argentina where the realignment of relative prices and elimination of legacy price controls, past currency depreciation, and the related pass-through into prices is expected to increase inflation in the near term. The drivers of declining inflation differ by country but generally reflect lower core inflation as a result of still-tight monetary policies, a related softening in labor markets, and pass-through effects from earlier and ongoing declines in relative energy prices.

Overall, about 80 percent of the world's economies are expected to see lower annual average headline and core inflation in 2024. Among economies with an inflation target, headline inflation is projected to be 0.6 percentage point above target for the median economy by the fourth quarter of 2024, down from an estimated gap of 1.7 percentage points at the end of 2023. Most of these economies are expected to reach their targets (or target range midpoints) by 2025. In several major economies, the downward revision to the projected path of inflation, combined with a modest upgrade to economic activity, implies a softer-than-expected landing.
(*Source: International Monetary Fund, World Economic Outlook Update, January 2024*)

Indian Economy Overview and Outlook

Over the course of the last decade, India has showcased a robust and resilient growth story driven by perseverance, ingenuity, and vision. In the face of unprecedented challenges such as the Covid pandemic and geopolitical conflicts, the Indian economy has demonstrated a remarkable ability to bounce back and convert challenges into opportunities while striving to achieve strong, sustainable, balanced, and inclusive growth.

The Indian economy has undergone many structural reforms that have strengthened its macroeconomic fundamentals. These reforms have led to India emerging as the fastest-growing economy among G20 economies. In 2023-24, as per current estimates, it is estimated to have grown 7.3 per cent on top of the 9.1 per cent (FY22) and 7.2 per cent (FY23) in the previous two years, and the economy is generating jobs. This impressive postpandemic recovery has seen the urban unemployment rate decline to 6.6 per cent. Since May 2023, the number of net new subscribers to EPFO in the age group 18-25 years has consistently exceeded 55 per cent of the total net new EPF subscribers. The government has extended the Pradhan Mantri Gharib Kalyan Anna Yojana for 80 crore citizens for five more years until December 2028.

The Index of Industrial Production (**IIP**) data shows that the capital goods index and infrastructure/construction goods index saw robust growth of 12.9 per cent and 8.4 per cent, respectively, in FY23. The indices have carried forward their momentum thus far into FY24 and have grown by 7.5 per cent and 11.1 per cent, respectively, on a cumulative basis till November 2023. The recent results of listed/unlisted corporates also indicate expanding private investment in the first half of FY24. (*Source: www.dea.gov.in*)

For the month of December 2023, the Quick Estimates of IIP with base 2011-12 stands at 151.5. The Indices of Industrial Production for the Mining, Manufacturing and Electricity sectors for the month of December 2023 stand at 139.4, 150.6 and 181.6 respectively.

As per Use-based classification, the indices stand at 151.7 for Primary Goods, 103.3 for Capital Goods, 159.3 for Intermediate Goods and 177.9 for Infrastructure/ Construction Goods for the month of December 2023. Further, the indices for Consumer durables and Consumer non-durables stand at 114.0 and 178.0 respectively for the month of December 2023.

As per the press release dated February 12, 2024 issued by the National Statistical Office, Ministry of Statistics and Programme Implementation, Government of India, Manufacture of machinery and equipment n.e.c. has witnessed a growth of 7.7% in the period between April 2023 to December 2023, while manufacture of motor vehicles, trailers and semi-trailers and manufacture of other transport equipment has seen growth of 11.0% and 10.3% respectively, in the same period. (*Source: Quick Estimates of Index of Industrial Production and Use-Based Index for the month of December 2023, National Statistical Office, Ministry of Statistics and Programme Implementation, Government of India*)

OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read "Risk Factors" on page 16, for a discussion of the risks and uncertainties related to those statements, as well as "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 67 and 255, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Limited Review Unaudited Financial Results and Audited Financial Statements.

OVERVIEW

Our Company offers a comprehensive portfolio of industrial equipment products and solutions relating to cranes including mobile cranes and rough terrain cranes, reach stackers and specialised equipment for the Indian defence industry. Through our predecessor entities and business, we have been in operation since 1944. Our capabilities include the ability to create cranes of various sizes and capacities, ranging from 10 MT to 100 MT.

We are an established player in the provision of world-class infrastructure equipment in India, and are engaged in design, manufacture and marketing of a comprehensive range of material handling, port equipment and crushing and screening solutions, with integrated customer support and after sales service.

We have long-standing partnerships with some of the leading global technology providers in the mobile crane manufacturing and lift truck manufacturing.

Headquartered in Kolkata, we have regional offices in Delhi and Chennai and area offices across the country. The Company has two factories in Eastern India – a fully integrated Plant at Kamarhatty and a state-of-the-art Plant at Kharagpur, West Bengal. The R&D centers at both the factories are equipped with latest software and cutting-edge technologies to enhance design excellence.

Our product portfolio consists of a wide range of Mobile Cranes (Rough Terrain, Truck Cranes, Industrial, Pick- n-Carry Cranes), Lattice Boom Crawler Cranes, Reach Stackers, Container Handlers, as well as a complete range of Crushing and Screening Plants and Equipment. We also offer a range of sophisticated, custom-made and application specific defence equipment.

The key industries served by us include material handling, ports, construction and road building, mining, oil and petrochemicals, steel, railways, airports, power, pharmaceutical and defence in Indian and exports to countries in SAARC, Middle East & Africa.

OUR COMPETITIVE STRENGTHS

We believe that our primary competitive strengths include the following:

- ***Established player in the infrastructure equipment sector and the Indian defence equipment sector***

  Through our predecessor entities, we have a legacy of more than 75 years in the infrastructure equipment sector and are also an established supplier to the Indian defence equipment sector. We are registered with the Ministry of Defence since 1993.

  Given our long operating history and our wide array of precision engineered products and services, we believe that we are an established brand in the infrastructure equipment and Indian defence equipment sectors.

  Some of the key equipment that we have manufactured and delivered to the Indian armed forces include the amphibious floating bridge and ferry system, which is a two axled vehicle with GVW 42 Te for cross country travel with integral deployable 30 m long bridge, countermine flail system on T-72 tank, Agni-I missile road mobile launcher, torpedo launcher and Prithvi missile handling crane.

- ***Engineering driven, vertically integrated precision solutions provider***

  With a view towards providing support to our product portfolio, we offer integrated precision solutions to complement our offerings. Our service goal is to maximise our customers' profitability. Our solutions include pre-purchase consultancy & equipment investment analysis, quick parts availability, on-site service, offering our customers engineer support through 'on call' support, complete equipment rebuild, preventive maintenance, annual service contracts and onsite a classroom training. Our all India product support network consists of aproximately 35 employees as of December 31, 2023.

  We offer round the year training on basic machine operation and scheduled maintenance to customer's operator and maintenance staff. There are various modules of training available that enhance knowledge and skills and provide competitive advantage to the employees of our customers.

- ***Sound order book across product categories supplying to marquee customers in the defence industry***

  As on December 31, 2023, our Order Book amounted to ₹ 24,000 lakhs, with orders from marquee customers in the Indian defence ecosystem, including the defence sector public sector undertakings, the Indian armed forces and public sector undertakings involved in coal and steel. We are engaged in the supply of products to several prestigious defence projects in India, including the Prithvi missile programme, the Agni I missile programme, torpedo launcher programmes and amphibious floating bridge and ferry systems. In each of the above projects, our products form critical components, such as the launch systems for the ground based Prithvi missile launcher and Agni I missile launcher.

  Due to our diversification of our products and services over the years, backed by our design and development capabilities, we have grown our order book to approximately ₹ 24,000 lakhs, as on December 31, 2023.

- ***Long-term relationships with customers, resulting in a well-diversified revenue base***

  Due to the nature of our products, with limited suppliers with technical expertise and development track records, we believe that we are able to establish long term relationships with our customers. As of December 31, 2023, our order book is well diversified with no single order accounting for more than 40%.

  Further, as on date, all of our of our top 10 customers have been associated with us for more than a period of five years. Further, due to our ability to provide support services, on-ground technical expertise and maintenance services, we are able to derive revenues from a single customer over a length of time. This in turn allows us to serve their future requirements as well and we have a high degree of repeat business, with many of our customers having offered us repeat business in the last five years.

- ***Strategically located manufacturing facilities that offer scale and flexibility***

  We currently operate out of two strategically located manufacturing facilities in the state of West Bengal. Our Kharagpur facility is located in Changaul, West Bengal and is spread across built up area of 58,000 sq. mts. with a shop floor area of 22,000 sq. mts. Our Kharagpur facility was established in 2011 and is equipped with rail and road connectivity. The facility is located equidistant from the state capital, Kolkata and the steel city of Jamshedpur and is also equidistant from the two maritime ports at Kolkata and Haldia.

  Our Kamarhatty facility is located in BT Road, Kolkata and is spread across built up area of 26,300 sq.mts. with shop floor area of 10,520 sq. mts. This is located near the strategically important port of Kolkata as well as in close proximity to the rail head of Howrah.

  The strategic location of our facilities, allows to optimise our freight costs as well as monitor and plan delivery schedules for the benefit of our customers. Further, our facility in Kharagpur, Changaul is located on approximately 160 acres of land, of which we are currently utilising approximately 30 acres. This in turn allows us significant potential to expand our manufacturing operations in line with growing business needs.

- ***Strong promoter background, experienced management team and motivated workforce***

  We have recently undergone a change in management with the induction of our Corporate Promoter, Indocrest Defence Solutions Private Limited by way of a preferential allotment on January 24, 2024. Pursuant to the induction of our Corporate Promoter, our Board of Directors has also undergone a change and our current Board comprises of professionals with extensive industry and segment expertise. Our Chairman and Managing Director, Mr. Chaturvedi, is a retired member of the Indian Administrative Services and a Chartered Accountant by qualification. He has experience in the business of industrial equipment including through his experience with Gainwell Commosales Private Limited, which is a licensed dealer for Caterpillar Equipments in India. Our Board is aided by a dedicated team of experienced professionals each with experience in fields of accounts, finance and compliance.

OUR STRATEGIES

- ***Leverage integrated precision manufacturing capabilities and established service solutions, to tap additional business opportunities and expand addressable market***

  We intend to focus on leveraging our existing manufacturing capabilities and legacy of more than 75 years coupled with our dedicated service solutions to focus on increasing our overall share of the customers' business. Further, we intend to expand our offerings by tapping into opportunities emerging from the Government of India's push for defence manufacturing localisation in particular and localisation of manufacturing activities in general.

- ***Focus on higher margin products and enhanced service offerings to improve the margin profile***

  Due to the inherent nature of the products sold by us, we believe that we are able to offer services to our customers which are complementary in nature. This allows us to improve our overall share of the customers' business. In coming years we intend to focus on products which offer us higher margins and at the same time to increase our overall bouquet of service offerings to improve our overall margin profile.

- ***Enhance engineering, innovation and design competence***

  We are engaged in an industry which is highly technical and our ability to maintain our position in the market is subject to constant innovation in our engineering, manufacturing and design competence. With enhanced engineering, manufacturing and design competence, we believe that we will be able to maintain and improve our overall position in the market and at the same time, improve our link with customers, including offering bespoke solutions specifically tailored to their requirements, which can be designed in conjunction with the customers internal teams.

- ***Increasing our consumer base through consumer loyalty and expansion of our operations***

  Through our predecessor entities, we have an operating history of more than 75 years, which we believe has offered us significant brand recall in the infrastructure equipment segment. Further, being pre-qualified with the Ministry of Defence, through our previous works for the Government of India, allows us to bid for defence contracts in a cost competitive and time effective manner. Given the expansion of manufacturing sector in India and the Government of India's increased budgetary allocation towards manufacturing and infrastructure, we believe that there will be larger demand for industrial equipment in the coming days, which we intend to tap into. At the same time, through increased service offerings, we intend to increase our connect with existing customers and increase our share of their overall business.

OUR PRODUCTS

Our product portfolio consists of a wide range of Mobile Cranes (Rough Terrain, Truck Cranes, Industrial, Pick- n-Carry Cranes), Lattice Boom Crawler Cranes, Reach Stackers, Container Handlers, as well as a complete range of Crushing and Screening Plants and Equipment. We also offer a range of sophisticated, custom-made and application specific defence equipment.

Truck cranes	
Rough terrain cranes	
Reach stackers	

Specialised defence equipment	

OUR MANUFACTURING FACILITIES AND PROPERTIES

As of December 31, 2023, we operate our business through 2 manufacturing facilities located in Kamarhatty and Kharagpur both in the state of West Bengal. In addition to our Registered Office, we have regional offices in Kolkata, Delhi and Chennai with a network of branches and area offices. Our Registered Office is held on leasehold basis under a long term lease from the Kolkata Port Trust. Our manufacturing facilities are located on land owned by us.

Kamarhatty facility

Our Kamarhatty facility is located in BT Road, Kolkata and is spread across built up area of 26,300 sq.mts. with shop floor area of 10,520 sq. mts. Our Kamarhatty facility was established in 1962 for the manufacture of cranes.

This facility is engaged primarily in the manufacturing of Truck Cranes and Rough Terrain Cranes and specialized equipment for Indian Defence, e.g. Missile Launchers, Amphibious Vehicles, etc. This facility is a purpose-built Mobile Crane factory, equipped with state-of-the-art facilities, including a machine shop, fabrication and assembly shops and test bed. Our Kamarhatty facility is also an integrated Mobile Crane Manufacturing Facility.

The plant fabricates structural components for Cranes and has an assembly line for Cranes from capacity ranging from 10-100 tons.

As of December 31, 2023, the factory employed 370 people.

Kharagpur facility

Our Kharagpur facility is located in Changaul, West Bengal and is spread across built up area of 58,000 sq. mts. with a shop floor area of 22,000 sq. mts. Our Kharagpur facility was established in 2011 and is equipped with rail and road connectivity. The facility is located equidistant from the state capital, Kolkata and the steel city of Jamshedpur and is also equidistant from the two maritime ports at Kolkata and Haldia.

This facility is primarily involved in the production of Tyre-mounted Container Handling Equipment in technology agreement with the world leader based in USA, and Truck Cranes. We also manufacture provide specialized Equipment to India's Defence requirements, e.g., Missile Handling Cranes etc. from this facility.

As of December 31, 2023, the factory employs around 260 people.

MARKETING

Our marketing efforts are focussed on driving a seamless and frictionless experience to our customers across channels and platforms. Due to our long operational history, we believe that we have access to strong brand recall and our marketing is focussed on cross-selling of products from our portfolio to our existing customers as well as onboarding of new customers. In line with the Government of India's emphasis on localisation of manufacturing in India and reducing dependence of imports, we believe that we will be able to gain market share and be able to compete effectively with other existing as well as new players in the industrial equipment segment as well as in the defence equipment segment. Our pre-qualification with the Ministry of Defence enables us to bid for new contracts.

INTELLECTUAL PROPERTY

As on the date of the Letter of Offer, we are the owners of 9 registered trademarks, primarily consisting of our logo and word mark of TIL in various classes.

COMPETITION

The industrial equipment sector is highly competitive with deeply entrenched existing players. We face significant competition from other Indian manufacturers as well as from international brands. Further, we also compete with established players, who may have access to better facilities, equipment, technology or resources. For further details, refer to "*Risk Factors – We may not qualify for or win bids to further expand our business, which may have an adverse effect on our business, financial condition, results of operations and prospects.*" on page 22.

HUMAN RESOURCES

As of December 31, 2023, we had more than 500 people, including contractual workers located at head office, manufacturing facilities and zonal offices across the country. Further, we also have employee persons on contract basis from time to time.

Our Company has a dedicated human resource team which takes care of acquisition, development and retention of skills and talent in a way that supports the accomplishment of our Company's goals and objectives.

INSURANCE

We have insured our facilities against fire & allied risks and our stocks against burglary and theft risks. We also have insurance policies in respect of marine cargo, money policy, fidelity policy, group personal accident policy, group life insurance policy, and medi-claim policy.

OUR MANAGEMENT

OUR BOARD OF DIRECTORS

As per the Articles of Association and subject to the provisions of the Companies Act, and SEBI Listing Regulations our Company is required to have not less than three Directors and not more than fifteen Directors. As on the date of this Letter of Offer, our Board comprises of 6 (six) Directors, of which 1 (one) director is designated as Chairman and Managing Director, 3 (three) are Independent Directors including 1 (one) Independent Women Director and 2 (two) are Executive Directors. The composition of the Board and the various committees of the Board are in conformity with Section 149 of the Companies Act, 2013 and the SEBI Listing Regulations.

The following table sets forth the details regarding our Board as on the date of this Letter of Offer:

Sr. No.	Name, Address, Occupation, DIN, Period of Directorship, Term, Nationality and Date of Birth	Age (in years)	Other Directorships
1.	**Sunil Kumar Chaturvedi** **Address:** D-16, Sector-39, Gautam Buddha Nagar, Noida, Uttar Pradesh-201301 **Designation:** Chairman & Managing Director **Occupation:** Business **DIN:** 02183147 **Current Term:** Five years with effect from January 24, 2024 **Period of Directorship:** With effect from January 24, 2024 **Date of Birth:** February 05, 1963 **Nationality:** Indian	61	1. Gainwell Commosales Private Limited 2. Gainwell Mining Private Limited 3. Stellar Advisory Services Private Limited 4. Gainwell Engineering Private Limited 5. Assets Care & Reconstruction Enterprise Limited 6. Indocrest Defence Solutions Private Limited 7. Indocrest Transportation Private Limited 8. Gainwell Engineering Services Private Limited 9. Gaintech Engineering LLP
2.	**Saroj Punhani** **Address:** A-11/23, Vasant Vihar, South-West Delhi, Delhi, India-110057 **Designation:** Independent Director **Occupation:** Business **DIN:** 08922018 **Current Term:** Five years with effect from January 24, 2024 **Period of Directorship:** With effect from January 24, 2024 **Date of Birth:** February 04, 1961	63	NIL

Sr. No.	Name, Address, Occupation, DIN, Period of Directorship, Term, Nationality and Date of Birth	Age (in years)	Other Directorships
	Nationality: Indian		
3.	**Lt. General Narendra Bahadur Singh (Retd.)** **Address:** Q-302 Sispal Vihar, Sohna Road, Sector-49, Near Fortune Hotel, South City – II, Gurugram 122018, Haryana **Designation:** Independent Director **Occupation:** Retired **DIN:** 09699871 **Current Term:** Five years with effect from January 24, 2024 **Period of Directorship:** With effect from January 24, 2024 **Date of Birth:** June 26, 1954 **Nationality:** Indian	69	Munition Technology Private Limited
4.	**Amit Mukherjee** **Address:** 3C2 Glen Tower, Hiland Park, Panchasayar, Kolkata, West Bengal-700094 **Designation:** Independent Director **Occupation:** Business **DIN:** 06746412 **Current Term:** Five years with effect from January 24, 2024 **Period of Directorship:** With effect from January 24, 2024 **Date of Birth:** January 13, 1966 **Nationality:** Indian	58	1. Unigrow Solutions Private Limited 2. Virtuitis Medicagy Private Limited 3. Sigmawize Data Solutions Private Limited
5.	**Alok Kumar Tripathi** **Address:** Flat No. 205, Tower-7, Urbana, 783, Anandapur Madurdaha, Kolkata, West Bengal-700107 **Designation:** Whole Time Director - President **Occupation:** Serviceman	57	NIL

Sr. No.	Name, Address, Occupation, DIN, Period of Directorship, Term, Nationality and Date of Birth	Age (in years)	Other Directorships
	DIN: 10470292 **Current Term:** Five years with effect from January 25, 2024 **Period of Directorship:** With effect from January 25, 2024 **Date of Birth:** August 25, 1966 **Nationality:** Indian		
6.	**Ayan Banerjee** **Address:** 14, Ghosal Para Road, Barasat, North 24 Parganas, Kolkata, West Bengal-700124. **Designation:** Whole Time Director - Finance **Occupation:** Service **DIN:** 07563764 **Current Term:** Five years with effect from January 25, 2024 **Period of Directorship:** With effect from January 25, 2024 **Date of Birth:** January 01, 1971 **Nationality:** Indian	53	1. Parasea Coal Mine Project Private Limited 2. Indocrest Defence Solutions Private Limited 3. Tulip Compression Private Limited

Details of directorship in companies suspended or delisted

None of our Directors is, or was a director of any listed company during the last five years preceding the date of filing of this Letter of Offer, whose shares have been, or were suspended from being traded on any of the stock exchanges during the term of their directorship in such company.

None of our Directors is or was a director of any listed company which has been, or was delisted from any stock exchange during the term of their directorship in such company in the last ten years immediately preceding the date of filing of this Letter of Offer.

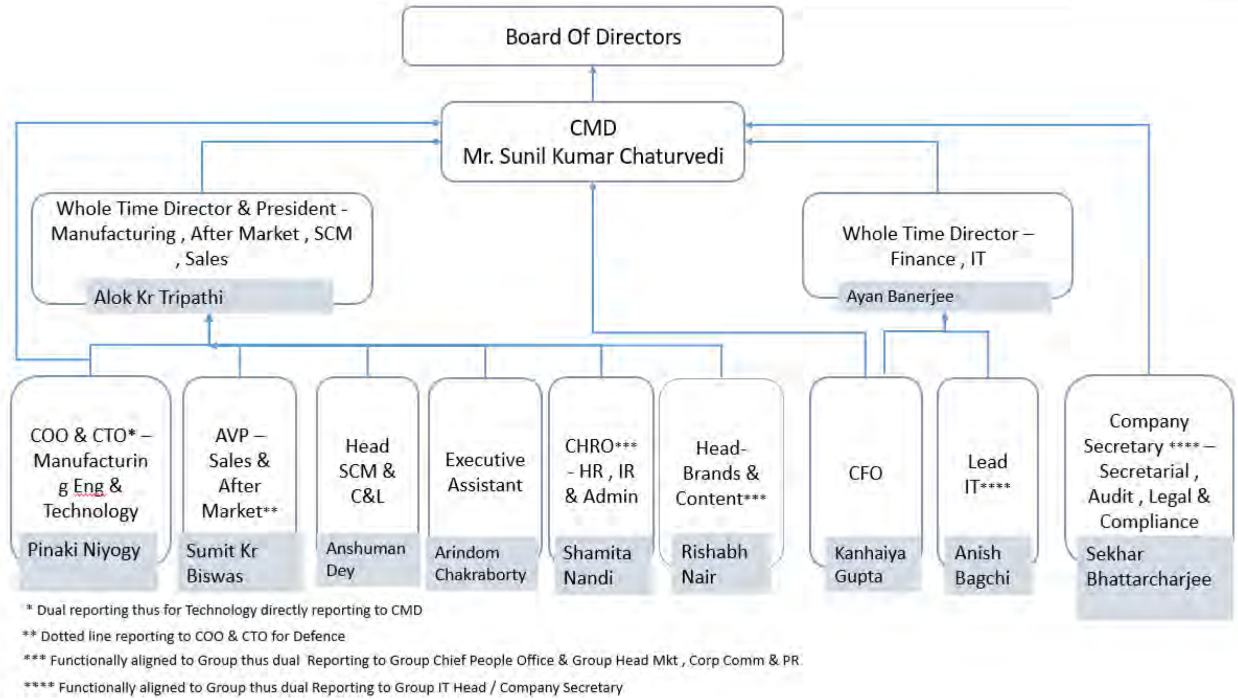
OUR KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

Sl. No.	Name of key management personnel	Designation
1.	Sunil Kumar Chaturvedi	Chairman and Managing Director
2.	Ayan Banerjee	Director-Finance
3.	Alok Kumar Tripathi	President & Director

4.	Kanhaiya Gupta	Chief Financial Officer
5.	Sekhar Bhattacharjee	Company Secretary

All our Key Managerial Personnel are permanent employees of our Company.

Management Organisation Structure



SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Sr. No.	Particulars
a.	Limited Review Unaudited Financial Results for the nine months period ended December 31, 2023.
b.	Audited Consolidated Financial Statements as at and for the year ended March 31, 2023.
c.	Audited Consolidated Financial Statements as at and for the year ended March 31, 2022.
d.	Audited Consolidated Financial Statements as at and for the year ended March 31, 2021.
e.	Restated Audited Financial Statements as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2022.

[THE REMAINDER OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK]

Singhi & Co.
Chartered Accountants

161, Sarat Bose Road
Kolkata-700 026, (India)
T +91(0)33-2419 6000/01/02
E kolkata@singhico.com
www.singhico.com

Independent Auditor's 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 December 31, 2023 and year to date from April 1, 2023 to December 31, 2023 (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 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.

   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 for carrying interest free loans from the promoters/ promoter's group of companies and other lenders aggregating to Rs. 15,961 lakhs by the Parent Company, including Rs.14,895 Lakhs which has been assigned in favour of Indocrest Transportation Private Limited by the said promoters / promoter's group of companies, at book value instead of its fair value as required under Ind AS-109 and its impact on consolidated financial results has not been ascertained by the management.

SINGHI & CO. * Chartered Accountants *

(b) Note No. 8 of the accompanying statement regarding carry forward of Minimum Alternate Tax Credit of Rs. 3026 Lakhs as on December 31 ,2023 (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. 9 of the accompanying statement regarding Stock in Transit which includes materials valuing Rs. 3055 lakhs lying in Bonded Warehouse/ at Port as on December 31, 2023 which were imported in the earlier years. These inventories could not be released from the authorities due to non-payment of custom duty, other charges etc. and as explained, due to this confirmation could not be received. The management of the Parent Company 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. Further, necessary provision of customs duty, other charges etc. for said materials has been made by the Parent Company in the books of account. However, as these materials are lying for a considerable period of time and pending its technical assessment by the management which, as informed, will be carried out by 31st March,2024, we are unable to comment whether any provision for obsolescence is required in this regard.

(d) Note No. 10 of the accompanying statement which states that subsequent to an enquiry by "Directorate of Revenue Intelligence & Enforcement" (DRI) in respect to certain trading transactions and other matters related to earlier years, GST Authority, has issued demand intimations for FY 2019-20 and 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 and a reply to such intimations had been filed by the Parent Company. Subsequently, an Order dated May 8,2023 was issued by the GST authorities for tax, interest, and penalty adding to Rs 958.97 Lakhs for FY 2019-20. The Parent Company is of the view that the demand raised by GST authorities does not have any merit and accordingly an appeal against this order has been filed on 4th August 2023 before the prescribed Appellate Authority. In view of this, no provision is considered necessary by the management.

(e) Trade receivables, Advances to Suppliers, Trade Payables and Advances from customers amounting to Rs. 2,769 lakhs, Rs. 1,126 lakhs, Rs. 7,008 lakhs and Rs. 3,659 lakhs respectively were outstanding as on December 31, 2023. The Parent 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. However, as informed, process of getting confirmation has been initiated by the new management of the Parent Company.

Further, the Parent Company could not get confirmations for Loans from bodies corporate to the extent of Rs. 897 lakhs lying outstanding as on December 31,2023. However, as informed, process of getting confirmation has been initiated by the new management of the Parent Company.

Hence, we are unable to comment on the correctness of above figures and if any adjustments are required to the said balances as on December 31,2023 and related impact on these Consolidated Financial Results.

SINGHI & CO. ★ Chartered Accountants ★

The impact of above matters (a) to (e) 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 8 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.

7. We draw attention to Note No. 5 of the accompanying statement which states that the Parent Company's net worth is negative and also exceed its current assets as at December 31,2023 which indicates material uncertainty that may cast doubt on the Parent Company's ability to continue as a going concern. However, financial results of the Parent Company have been prepared on a going concern basis based on the reasons stated in the aforesaid note.

Our conclusion is not modified in respect of this matter.

Other Matter

8. 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. 86 lakhs and net assets of Rs. 82 lakhs as at December 31, 2023, revenues of Rs. Nil and Rs. Nil, total net profit after tax of Rs. 12 lakhs and Rs. 5 lakhs, total comprehensive income of Rs. 12 lakhs and Rs. 7 lakhs for the three months and nine months ended on December 31, 2023 respectively, 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.

Our conclusion is not modified in respect of this matter.

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

(Giridhari Lal Choudhary)
Partner
Membership No. 052112

SINGHI & CO. Chartered Accountants

UDIN: 24052112BKFHEA6432

Place: Kolkata
Date: February 14,2024

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 NINE MONTHS ENDED 31ST DECEMBER 2023

₹ in Lakhs except Earnings Per Share

Sl. No.	Particulars	Three months ended			Nine months ended		Twelve months ended
		31st December 2023	30th September 2023	31st December 2022	31st December 2023	31st December 2022	31st March 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1.	Revenue from Operations	1,206	1,996	1,110	3,548	2,797	4,383
2.	Other Income	57	37	106	101	806	670
I	Total Income (1+2)	1,263	2,033	1,216	3,649	3,603	5,053
3.	Expenses						
	a. Cost of Materials Consumed	561	1,651	206	2,498	763	1,173
	b. Purchases of Stock-In-Trade	71	95	200	341	253	309
	c. Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress	308	(531)	450	(394)	1,142	1,604
	d. Employee Benefits Expense	806	769	820	2,349	2,806	3,673
	e. Finance Costs	219	901	911	2,063	2,787	3,624
	f. Depreciation and Amortization Expense	172	173	225	542	693	895
	g. Other Expenses	1,286	1,169	718	3,545	2,107	3,247
II	Total Expenses	3,423	4,227	3,530	10,944	10,551	14,525
4.	Profit from Continuing Operations Before Exceptional Items and Tax (I-II)	(2,160)	(2,194)	(2,314)	(7,295)	(6,948)	(9,472)
5.	Exceptional Items	13,990	-	-	16,878	-	-
6.	Profit / (Loss) Before Tax (4+5)	11,830	(2,194)	(2,314)	9,583	(6,948)	(9,472)
7.	Tax Expenses						
	a. Current Tax	1,509	-	-	1,509	-	-
	b. Income Tax relating to earlier years	-	-	-	-	-	-
	c. Deferred Tax	(150)	(159)	(172)	(457)	(329)	(370)
	Total Tax Expenses	1,359	(159)	(172)	1,052	(329)	(370)
8.	Profit / (Loss) for the period / year (6-7)	10,471	(2,035)	(2,142)	8,531	(6,619)	(9,102)
9.	Other Comprehensive Income						
	A. (i) Items that will not be reclassified to profit or loss	(28)	(28)	(20)	(84)	(59)	(112)
	(ii) Income Tax relating to items that will not be reclassified to profit or loss	9	10	7	29	21	39
	B. (i) Items that will be reclassified to profit or loss	-	1	9	2	51	37
	(ii) Income Tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total Other Comprehensive Income	(19)	(17)	(4)	(53)	13	(36)
10.	Total Comprehensive Income for the period / year (8+9)	10,452	(2,052)	(2,146)	8,478	(6,606)	(9,138)
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)						(30,239)
13.	Earnings Per Share (of ₹ 10/- each) - Basic and Diluted (#)	104.39	(20.29)	(21.36)	85.05	(65.99)	(90.75)

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

TIL Limited
GARDEN REACH
KOLKATA-700 024

SINGHI & CO
Chartered Acc

Notes:

1 The above Unaudited Consolidated Financial Results for the quarter and nine months period ended December 31, 2023, 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 February 14, 2024 at Kolkata and have been subjected to "Limited Review" by the Statutory Auditors of the Company.

2 On January 24, 2024, the Board of Directors of the Parent Company has approved the allotment of 74,96,592 equity shares of Rs.10 each at a premium of Rs.82.40 each on preferential allotment basis to Indocrest Defence Solutions Private Limited in accordance with the provisions of Regulation 164A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended). Post allotment of these shares, the issued and fully paid -up equity share capital of the Parent Company stands increased to Rs.17,52.69 lakhs comprising of 1,75,26,857 fully paid-up equity shares of Rs.10 each.

3 Interest free loans from the promoters / promoter's group of companies and other lenders aggregating to Rs.159,61 lakhs, including Rs.148,95 Lakhs which has been assigned in favour of Indocrest Transportation Private Limited by the said promoters / promoter's group of companies, has been carried in the books at book value as on December 31, 2023 in Parent Company. Fair value assessment of said interest free loans as required in terms of Ind AS-109 will be carried out before March 31, 2024.

4 The Lead Bank and other Banks in the consortium have approved the resolution plan for One Time Settlement (OTS) submitted by the Parent Company and the dues in terms of the said OTS has also been paid to all Banks. Pursuant to said OTS, write back of Rs. 139,90 lakhs towards waiver has been accounted for during the quarter and the same has been disclosed as Exceptional Item in these consolidated financial results.

5 The Parent Company's net worth is negative and the Parent Company's current liabilities also exceed its current assets as at December 31, 2023. However, in view of OTS with lending banks and investment by the investor together with orders in hand and positive outlook of the new management towards the growth of the Parent Company and its ability to continue as a going concern in the foreseeable future, these financial results of the Parent Company have been prepared on a going concern basis.

6 The Fair Value of the Property, Plant & Equipment is higher than its carrying value as on December 31, 2023, based on evaluation by an external valuer in earlier years and in view of above, in the opinion of the management, no impairment provision is considered necessary.

7 Land & Building situated at Sahibabad, Uttar Pradesh was categorized as Asset Held for Sale during financial year 2022-2023 subsequent to possession of the property by the lender under the provisions of the SARFAESI Act, 2002. The said property has been disposed off during the quarter ended June 30, 2023 by the said lender and a net gain of Rs.28,88 lakhs has been disclosed as Exceptional Items in these financial results.

8 The Parent Company has carried forward Minimum Alternate Tax Credit of Rs. 30,26 Lakhs as on December 31, 2023 (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. However, no further MAT credit for the quarter and nine months ended December 31, 2023 has been accounted for as a matter of prudence.

9 Stock in Transit includes materials valuing Rs. 30,55 Lakhs lying in Bonded Warehouse / at Port as at December 31, 2023 which was imported in earlier years. These inventories could not be released from the authorities due to non-payment of customs 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. Further, necessary provision of customs duty, other charges etc. for said materials has been made in the books of accounts.

10 Subsequent to an enquiry by "Directorate of Revenue Intelligence & Enforcement" (DRI) in respect to certain trading transactions and other matters related to earlier years, GST Authority has issued demand intimations for FY 2019-20 and for FY 2020-21 for payment of tax / interest / penalty amounting to Rs. 9,28.90 Lakhs & Rs. 32,90.79 lakhs respectively under Section 74(5) of the GST Act and a reply to such intimations had been filed by the Parent Company. Subsequently, an order dated May 8, 2023 was issued by the GST authorities for tax, interest, and penalty adding to Rs 9,58.97 Lakhs for FY 2019-20. The Parent Company is of the view that the demand raised by GST authorities does not have any merit and accordingly an appeal against this order has been filed on August 4, 2023 before the prescribed Appellate Authority.

11 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 Group's principal geographical area is within India. Accordingly, the Group 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 : 14th February 2024

TIL Limited * KOLKATA-700 024 *

SINGHI & CO. * Chartered Accountants *

for TIL LIMITED

SUNIL KUMAR CHATURVEDI
Chairman & Managing Director

Singhi & Co.
Chartered Accountants

161, Sarat Bose Road
Kolkata-700 026, (India)
T +91(0)33-2419 6000/01/02
E kolkata@singhico.com
www.singhico.com

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TIL LIMITED

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of TIL Limited ("the Parent Company") and its subsidiary (the Parent Company and its subsidiary together referred to as the 'Group'), comprising the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss including the Consolidated Statement of Other Comprehensive Income, the Consolidated Statement of Cash Flow, the Consolidated Statement of Changes in Equity for the year then ended and notes to the Consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'Consolidated Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditors on separate financial statements of the subsidiary referred to in the other matter paragraph section below, except for the possible effects of the matter described in 'Basis for Qualified Opinion' section of our report , the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2023, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Qualified Opinion

We draw attention to the following matters:

(a) Note No. 33 of the accompanying Consolidated Financial Statements for not carrying out fair valuation of interest free loans from the promoters/ promoter's group of companies and other lenders aggregating to Rs. 15885 lakhs as required under Ind AS-109 and its impact on Consolidated Financial Statements 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 Statements.

(b) Note No. 34 of the accompanying Consolidated Financial Statements which states that the Parent Company has incurred a cash loss of Rs. 8314 lakhs during the year and its net worth is negative as on the Balance Sheet date. Moreover, the Parent Company's current liabilities also exceed its current assets as at 31st March 2023. In view of the acute financial crisis faced by the Company, 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'). Further, the lead bank, namely Bank Of India, had filed a petition 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. Meanwhile, the Board of Directors approved a resolution plan at its meeting held on 26th November, 2022 which had since been submitted with all of TIL's Consortium Bankers on 28th November, 2022 which is currently under discussion.

The above situation indicates that a material uncertainty exists that may cast significant doubt on the Parent 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 Consolidated Financial Statements 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.

SINGHI & CO. * Chartered Accountants *

(c) Note No. 10.1 of the accompanying Consolidated Financial Statements regarding carry forward of Minimum Alternate Tax Credit of Rs. 3026 Lakhs as on March 31,2023 (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.

(d) Note No. 12.5 of the accompanying Consolidated Financial Statements regarding Stock in Transit which includes materials valuing Rs. 3248 lakhs lying in Bonded Warehouse/ at Port as on March 31,2023 which also includes Rs.3234 Lakhs imported in earlier years. These inventories could not be released from the authorities due to non-payment of custom duty, other charges etc. and as explained, due to this confirmation has also not been received. 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.

(e) Note No. 35 of the accompanying Consolidated Financial Statements regarding an enquiry by "Directorate of Revenue Intelligence & Enforcement" (DRI) which 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. On 7th November, 2022 and 10th November,2022 the Company received an Investigation report of DRI dated 20th July, 2022 from the GST Authority, together with certain demand intimations based on the investigation report. These demand initimations were for FY 2019-20 and 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; and a reply to such intimations had been filed by the Company on 17th January, 2023. Subsequently, on 24th March 2023, Show Cause Notice - DRC-01 for FY 2019-2020 was issued u/s. 74(1) of the CGST/WBGST Act, 2017 to the Company. A personal hearing was held on 06th April 2023, pursuant to which certain clarifications were submitted by the Company on 17th April 2023. Also, a reply to the Show Cause notice was submitted to the GST Authorities on 8th May 2023. On the same day, i.e 8th May 2023, an Order was issued by the GST authorities for tax, interest, and penalty adding to Rs 958.97 Lakhs for FY 2019-20. The Company is of the view that the demand raised by GST authorities does not have merit; and hence an appeal against this order shall be filed before the prescribed Appellate Authority as per the provisions under Sec 107 of the CGST Act. In view of this, no provision is considered necessary by the management.

(f) Trade receivables, Advances to Suppliers, Trade Payable and Advances from customers amounting to Rs. 3019 lakhs, Rs. 1050 lakhs, Rs. 12542 lakhs and Rs. 3494 lakhs respectively were outstanding as on March 31,2023. The Parent 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 Parent Company could not get confirmations for Loans from bodies corporate to the extent of Rs. 897 Lakhs lying outstanding as on 31st March 2023.

Hence, we are unable to comment on the correctness of above figures and if any adjustments are required to the said balances as on March 31,2023 and related impact on these Consolidated Financial Statements.

The impact of above matters (a) to (f) on the accompanying Consolidated Financial Statements is presently not ascertainable.

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" 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 Consolidated 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 obtained by us is sufficient and appropriate to provide a basis for our qualified audit opinion on the Consolidated Financial Statements.

SINGHI & CO. ★ Chartered Accountants ★

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the basis for qualified opinion section, we have determined the matter described below as Key audit matter and our description of how our audit addressed the matter is provided in that context.

Key audit matters	How our audit addressed the key audit matter
Inventories (other than stock in transit) (Refer Note 12 of the Consolidated Financial Statements)	
The Parent Company is engaged in manufacturing of a comprehensive range of material handling, lifting, port, and road construction equipments with integrated customer support and after-sales service requiring a wide range of spare parts. The total inventory of such materials (other than stock in transit) amounts to Rs. 10,849 Lakhs as on March 31, 2023 (Refer Note 12 of consolidated financial statements). Inventories are carried at lower of cost or net realisable value. Significant judgement is required in assessing the appropriate level of the provision for slow moving and/or obsolete inventory, determination of net realisable value and we determined this to be a matter of significance to our audit.	Our audit procedures included the following: 1. Obtained an understanding of the management with regard to internal controls relating to Inventory management. 2. We have reviewed the report submitted by the external agency and checked for differences, if any, and whether the same has been accounted for in the books of accounts. 3. We observed physical inventory counts at major locations to ascertain the condition of inventory and tested on a sample of items to assess the cost basis and net realisable value of inventory and evaluated the adequacy of provision for slow moving and obsolete inventories as at March 31, 2023. 4. Tested on a sample basis the accuracy of cost for inventory and testing the net realizable value by comparing actual cost with the latest available contracts for similar products.

Other Information

The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

SINGHI & CO. ★ Chartered Acco

Responsibilities of Management for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the Companies included in the Group, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial statements 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 consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

SINGHI & CO. * Chartered Accountants *

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated annual financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.
We communicate with those charged with governance of the Parent Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

i. The consolidated financial statements includes the audited financial statements and the other financial information, in respect of the subsidiary whose financial statements include total assets of Rs. 89 Lakhs as at 31st March 2023, total revenue Rs. 10 Lakhs, total net loss after tax of Rs.500 Lakhs, total comprehensive income of Rs. (-)463 Lakhs for the year ended 31st March,2023 and net cash flows of Rs. (-)65 Lakhs for the year ended 31st March, 2023 as considered in the consolidated financial statement which have been audited by other auditors.
ii. The independent auditors report on the financial statements of above-mentioned subsidiary have been furnished to us by the management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in the respect of the subsidiary is based solely on the reports of such auditors.
iii. Subsidiary mentioned in sub-paragraph (i) above is located outside India whose annual financial statements have been prepared in accordance with accounting principles generally accepted in their country and which have been audited by other auditors under generally accepted auditing standards applicable in their country. The Parent Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments and additional disclosures made by the Parent Company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments & additional disclosures prepared by the management of the Parent company and reviewed by us.

SINGHI & CO * Chartered Accountants

Report on Other Legal and Regulatory Requirements

1. With respect to the matter specified in clause (xxi) of paragraph 3 & paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("the Order" / "CARO") issued by the Central Government of India in terms of Section 143(11) of the Act, according to the information and explanation given to us and based on our examination, we report that there are no companies other than the Parent Company, included in the consolidated financial statements which are the companies incorporated in India and hence the reporting under CARO is not applicable to them.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit, except to the extent described in the Basis for Qualified Opinion paragraph where we were unable to obtain such information;

   (b) Proper books of account as required by law relating to Consolidated Financial Statements have been kept by the Group so far as it appears from our examination of those books except to the extent stated in the Basis for Qualified Opinion paragraph.;

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the statement of Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) The matters described in the Basis for Qualified Opinion paragraph including Going Concern Assessment as stated above, in our opinion, may have adverse effect on the functioning of the Parent Company;

   (f) On the basis of the written representations received from the directors of the Parent Company as on March 31, 2023 taken on record by the Board of Directors of the Parent Company, none of the directors of the Parent Company is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

   (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;

   (h) With respect to the adequacy of the internal financial controls with reference to these consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report. Our report expresses a disclaimer of opinion on the Parent Company's internal financial controls with reference to these consolidated financial statements for the reasons stated therein;

   (i) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Parent Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer Note 35, 37.1 and 37.3 to the consolidated financial statements;

      ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company.

SINGHI & CO. ★ Chartered Accountants

iv. (a) The management of the Parent Company has represented that, to the best of its knowledge and belief, as disclosed in the Note 42.4 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 42.4 to the consolidated financial statements, no funds have been received by the Parent Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above contain any material mis-statement.

v. No Dividend has been declared or paid during the year by the Parent Company.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Parent Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

SINGHI & CO. Chartered Accountants

G L Choudhary

(Giridhari Lal Choudhary)
Partner
(Membership No. 052112)
UDIN: 23052112BGXCJL9544

Place: Kolkata
Date: May 26, 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF TIL LIMTED

(Referred to in paragraph (h) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We were engaged to audit the internal financial controls with reference to consolidated financial statements of TIL Limited ("the Parent Company") as of March 31, 2023 in conjunction with our audit of the consolidated financial statements of the Parent Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent Company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the Parent Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Parent Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Because of the matters described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for our opinion on whether the Parent Company had adequate internal financial controls over financial reporting with reference to these Consolidated Financial Statements as at March 31, 2023 and whether such internal financial controls were operating effectively.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to the consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

SINGHI & CO. ★ Chartered Accountants ★

Disclaimer of Opinion

According to the information and explanation given to us, the Parent Company has not established its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Parent Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2023. Accordingly, we do not express an opinion on Internal Financial Controls with reference to these Consolidated Financial Statements.

We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the consolidated financial statements of the Parent Company for the year ended March 31, 2023 and the disclaimer does not affect our qualified opinion on the consolidated financial statements of the Parent Company.

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

SINGHI & CO. Chartered Accountants

(Giridhari Lal Choudhary)
Partner
Membership No. 052112
UDIN: 23052112BGXCJL9544

Place: Kolkata
Date: May 26, 2023

TIL LIMITED
CIN: L74999WB1974PLC041725
Consolidated Balance Sheet as at 31st March 2023
(All amounts in Rs Lakhs, unless otherwise stated)

	Particulars	Note No.	As at 31.03.2023	As at 31.03.2022
A	**ASSETS**			
1	**Non-Current Assets**			
	(a) Property, Plant and Equipment	**4**	**9,589**	10,546
	(b) Capital Work-In-Progress	**6**	**27**	27
	(c) Right-of-use Assets	**4.1**	**1,011**	1,268
	(d) Intangible Assets	**7**	**-**	46
	(e) Financial Assets			
	(i) Investments	**8-A**	**-**	-
	(ii) Others	**9-A**	**148**	582
	(f) Deferred Tax Assets (Net)	**10-B**	**3,868**	3,457
	(g) Income Tax Assets (Net)	**10-A**	**704**	499
	(h) Other Non-Current Assets	**11-A**	**29**	21
	Total Non-Current Assets		**15,376**	16,446
2	**Current Assets**			
	(a) Inventories	**12**	**14,068**	16,430
	(b) Financial Assets			
	(i) Investments	**8-B**	**67**	98
	(ii) Trade Receivables	**13**	**3,019**	2,610
	(iii) Cash and Cash Equivalents	**14-A**	**132**	97
	(iv) Bank balances other than (iii) above	**14-B**	**8**	364
	(v) Others	**9-B**	**274**	266
	(c) Other Current Assets	**11-B**	**1,659**	1,666
	Total Current Assets		**19,227**	21,531
3	**Assets Held for Sale**	**4.3**	**419**	-
	TOTAL ASSETS		**35,022**	37,977
B	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity Share Capital	**15**	**1,003**	1,003
	(b) Other Equity	**16**	**(30,239)**	(21,101)
	Total Equity		**(29,236)**	(20,098)
2	**Non-Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	**17-A**	**15,159**	17,760
	(ii) Lease Liabilities	**20-A**	**957**	875
	(b) Provisions	**18-A**	**503**	512
	Total Non-Current Liabilities		**16,619**	19,147
3	**Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	**17-B**	**24,859**	22,089
	(ii) Lease Liabilities	**20-B**	**94**	111
	(iii) Trade Payables	**19**		
	A) Total outstanding dues of micro enterprises and smallenterprises		**395**	382
	B) Total outstanding dues of Creditors other than micro enterprises and small enterprises		**12,162**	8,922
	(iv) Other Financial Liabilities	**21**	**2,512**	431
	(b) Other Current Liabilities	**22**	**7,529**	6,954
	(c) Provisions	**18-B**	**88**	39
	Total Current Liabilities		**47,639**	38,928
	TOTAL EQUITY AND LIABILITIES		**35,022**	37,977

Significant accounting policy and accompanying notes (1 to 48) forming an integral part of the Consolidated Financial Statements.

In terms of our report of even date attached

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

For and on behalf of Board of Directors
of **TIL Limited**

Giridhari Lal Choudhary
Partner
Membership No. 052112

Sumit Mazumder
Chairman & Managing Director
(DIN:00116654)

Kolkata
26th May 2023

Bipasha Banerjea
Chief Financial Officer

Sekhar Bhattacharjee
Company Secretary

TIL LIMITED
CIN: L74999WB1974PLC041725
Consolidated Statement of Profit and Loss for the Year Ended 31st March 2023
(All amounts in Rs Lakhs, unless otherwise stated)

	Particulars	Note No.	Year Ended 31.03.2023	Year Ended 31.03.2022
I.	Revenue from Operations	23	4,383	6,624
II.	Other Income	24	670	1,089
III.	**Total Revenue (I + II)**		5,053	7,713
IV.	**Expenses**			
	Cost of Materials Consumed	25	1,173	2,098
	Purchases of Stock-In-Trade	26	309	2,004
	Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress	27	1,604	(1,002)
	Employee Benefits Expense	28	3,673	5,536
	Finance Costs	29	3,624	3,620
	Depreciation and Amortization Expense	30	895	995
	Other Expenses	31	3,247	10,325
	Total Expenses (IV)		14,525	23,576
V.	**Profit/(Loss) Before Exceptional Items and Tax (III - IV)**		(9,472)	(15,863)
VI.	**Exceptional Items**	32	-	(25,953)
VII.	**Profit/(Loss) Before Tax (After Exceptional Items) [V-VI]**		(9,472)	(41,816)
VIII.	**Tax (Benefits) / Expenses**			
	Current Tax		-	-
	Income tax relating to earlier years		-	172
	Deferred Tax	10-B	(370)	1,129
	Total Tax (Benefits) / Expenses (VIII)		(370)	1,301
IX.	**Profit / (Loss) for the year (VII-VIII)**		(9,102)	(43,117)
X.	**Other Comprehensive Income**			
	A. Items that will not be reclassified to the Statement of Profit and Loss			
	Remeasurement of the defined benefit plans		(112)	(79)
	B. Income tax relating to items that will not be reclassified to the Statement of Profit and Loss		39	28
	C. Items that will be reclassified to the Statement of Profit and Loss			
	Exchange differences in translating the financial statements of foreign operations		37	80
	D. Income tax relating to items that will be reclassified to the Statement of Profit and Loss		-	-
	Total Other Comprehensive Income (X)		(36)	29
XI.	**Total Comprehensive Income for the year (IX + X)**		(9,138)	(43,088)
XII.	**Earnings Per Equity Share (Face Value of Rs. 10/-)**			
	Basic and Diluted	44	(90.75)	(429.87)

Significant accounting policy and accompanying notes (1 to 48) forming an integral part of the Consolidated Financial Statements.

In terms of our report of even date attached

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

For and on behalf of Board of Directors
of **TIL Limited**

Giridhari Lal Choudhary
Partner
Membership No. 052112

Sumit Mazumder
Chairman & Managing Director
(DIN:00116654)

Kolkata
26th May 2023

Bipasha Banerjea
Chief Financial Officer

Sekhar Bhattacharjee
Company Secretary

TIL LIMITED
CIN: L74999WB1974PLC041725
Consolidated Statement of Cash Flows for the Year Ended 31st March 2023
(All amounts in Rs Lakhs, unless otherwise stated)

	Particulars	Year Ended 31.03.2023		Year Ended 31.03.2022	
A	**Cash Flow from Operating Activities**				
	Profit / (Loss) Before Tax and Exceptional Items		**(9,472)**		(15,863)
	Adjustments for:				
	Depreciation and Amortization Expense	**895**		995	
	Finance Costs	**3,624**		3,620	
	Net (Gain) / Loss on Fair Valuation of investments through Profit and Loss	**(3)**		(4)	
	Net (Gain) / Loss on Assets Held for Sale	**-**		(283)	
	Unrealized Foreign Exchange (Gain) / Loss (Net)	**108**		57	
	Provisions / Liabilities no longer required written back	**(536)**		(610)	
	(Gain) / Loss on Sale of Investment	**-**		(72)	
	Bad and Doubtful Trade Receivables / Advances / Claims	**1,028**		6,035	
	Interest Income	**(39)**		(79)	
	Dividend Income	**-**		(27)	
	(Profit) / Loss on Sale of Property, Plant & Equipment (Net)	**4**		(1)	
	(Gain) / Loss on Modification / Termination on Lease Assets	**(3)**		275	
	(Gain) / Loss on Fair Valuation of Derivatives not designated as Hedging Instruments through Profit and Loss	**-**		3	
	Other Non Cash Adjustment	**-**		(8)	
			5,078		9,901
	Operating Profit before Working Capital Changes		**(4,394)**		(5,962)
	Changes in Working Capital				
	Trade Receivables, Loans, Advances and Other Assets	**(1,454)**		4,053	
	Inventories	**2,360**		(4,642)	
	Trade Payables, Other Liabilities and Provisions	**4,253**		3,906	
			5,159		3,317
	Cash Generated from Operations		**765**		(2,645)
	Income Tax Paid (Net)		**(205)**		(18)
	Net Cash Flows used in Operating Activities (A)		**560**		(2,663)
B	**Cash Flow from Investing Activities**				
	Purchase of Property, Plant and Equipment, Intangibles etc.	**-**		3	
	Sale of Property, Plant & Equipment	**8**		4,000	
	Margin Money / Bank Deposits not considered as Cash and Cash Equivalents	**763**		43	
	Interest Received	**39**		79	
	Dividend Received	**-**		27	
	(Purchase)/Sale of Investments	**41**		3,574	
	Net Cash Flows used in Investing Activities (B)		**851**		7,726
C	**Cash Flow from Financing Activities**				
	Repayment of Long Term Borrowings	**-**		(1,776)	
	Proceeds from Long Term Borrowings	**55**		4,476	
	Repayment of Lease Liabilities	**(100)**		(99)	
	Proceeds from Short Term Borrowings (Net)	**101**		(4,433)	
	Finance Costs Paid	**(1,441)**		(3,168)	
	Net Cash Flows from Financing Activities (C)		**(1,385)**		(5,000)
	Net Increase in Cash and Cash Equivalents (A+B+C)		**26**		63
	Cash and Cash Equivalents at the beginning of the year		**97**		46
	Effect for Foreign Exchange Fluctuation		**9**		(12)
	Cash and Cash Equivalents at the end of the period		**132**		97
	Cash and Cash Equivalents comprises				
	Cash in hand		**1**		3
	Balance with Banks		**131**		94
			132		97

Notes:

a) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'

b) The composition of Cash & Cash Equivalent has been determined based on the Accounting Policy No. 2.22.

c) Figures for the previous year have been re-grouped wherever considered necessary.

d) Income Taxes paid /Refund received (net) are treated as arising from operating activities and are not bifurcated between investing and financing activities.

e) As per Ind AS 7, the Group is required to provide disclosures that enable users of Financial Statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The Group did not have any material impact on the Statement of Cash Flows therefore reconciliation has not been given.

Significant accounting policy and accompanying notes (1 to 48) forming an integral part of the Consolidated Financial Statements.

In terms of our report of even date attached

For and on behalf of Board of Directors
of **TIL Limited**

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

Giridhari Lal Choudhary
Partner
Membership No. 052112

Sumit Mazumder
Chairman & Managing Director
(DIN:00116654)

Kolkata
26th May 2023

Bipasha Banerjea
Chief Financial Officer

Sekhar Bhattacharjee
Company Secretary

TIL LIMITED
CIN: L74999WB1974PLC041725
Consolidated Statement of Changes in Equity for the Year Ended 31st March 2023
(All amounts in Rs Lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Balance as at 01.04.2021	Changes in equity share capital during the year	Balance as at 31.03.2022
1,003	-	1,003

Balance as at 01.04.2022	**Changes in equity share capital during the year**	**Balance as at 31.12.2023**
1,003	-	1,003

B. OTHER EQUITY

	Reserve and Surplus							Items of Other Comprehensive Income	
	Securities Premium	**Capital Reserve**	**Capital Redemption Reserve**	**Development Rebate Reserve**	**Amalgamation Reserve**	**General Reserve**	**Retained Earnings**	**Foreign Currency Translation Reserve**	**Total Equity**
Balance as at 01.04.2021	1,934	878	400	1	20	3,013	12,968	2,773	21,987
Loss for the year	-	-	-	-	-	-	(43,117)	-	(43,117)
Other Comprehensive Income for the year (net of tax)	-	-	-	-	-	-	(51)	80	29
Balance as at 31.03.2022	1,934	878	400	1	20	3,013	(30,200)	2,853	(21,101)
Loss for the year	-	-	-	-	-	-	**(9,102)**	**-**	**(9,102)**
Other Comprehensive Income for the year (net of tax)	-	-	-	-	-	-	**(73)**	**37**	**(36)**
Total Comprehensive Income	-	-	-	-	-	**-**	**(9,175)**	**37**	**(9,138)**
Balance as at 31-03-2023	**1,934**	**878**	**400**	**1**	**20**	**3,013**	**(39,375)**	**2,890**	**(30,239)**

TIL LIMITED
CIN: L74999WB1974PLC041725
Consolidated Statement of Changes in Equity for the Year Ended 31st March 2023
(All amounts in Rs Lakhs, unless otherwise stated)

B. OTHER EQUITY CONTD…

Securities Premium
This reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

Capital Reserve
This represents grants etc. of capital nature.

Capital Redemption Reserve
This reserve is created on redemption of capital.

Development Rebate Reserve and Amalgamation Reserve
These Reserves were transferred to the Group in the course of business combination.

General Reserve
The General Reserve is used from time to time to transfer profit from retained earnings for appropriation purposes.

Retained Earnings
This reserve represents the cumulative Profit / Loss of the Group. This can be utilized in accordance with the provisions of the Companies Act, 2013.

Foreign Currency Translation Reserve
This reserve contains accumulated balance of foreign exchange differences from translation of the Financial Statements of the Group's foreign operations arising at the time of consolidation of such entities.

Significant accounting policy and accompanying notes (1 to 48) forming an integral part of the Consolidated Financial Statements.

In terms of our report of even date attached

For and on behalf of Board of Directors
of **TIL Limited**

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

Giridhari Lal Choudhary
Partner
Membership No. 052112

Sumit Mazumder
Chairman & Managing Director
(DIN:00116654)

Kolkata
26th May 2023

Bipasha Banerjea
Chief Financial Officer

Sekhar Bhattacharjee
Company Secretary

(All amounts in Rs Lakhs, unless otherwise stated)

1 GENERAL INFORMATION

TIL Limited (the 'Parent Company' / 'Company') and its overseas subsidiary (collectively referred to as the 'Group') is engaged in manufacturing and marketing of a comprehensive range of material handling, lifting, port and road construction solutions with integrated customer support and after sales service. Overall the Group's products and services are termed as Materials Handling Solutions (MHS). The Group has two manufacturing facilities - Kamarhatty and Kharagpur in West Bengal. The Company is a Public Limited Company and is listed in Bombay, Calcutta and National Stock Exchange in India.

1.1 Basis of Consolidation

The Consolidated Financial Statements (CFS) include the financial statements of the Parent and its following subsidiary (together forming the 'Group').

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership	Accounting Year
TIL Overseas PTE Limited	Singapore	100	1st April to 31st March

Control and significant influence is assessed annually with reference to the voting power (usually arising from equity shareholdings and potential voting rights) and other rights, if any, enjoyed by the Parent in its capacity as an investor that provides it the power and consequential ability to direct the investee's activities and significantly affect the Group's returns from its investment.

The assets, liabilities, income and expenses of the subsidiary is aggregated and consolidated, line by line, from the date control is acquired by the Parent to the date it ceases. Profit or loss and each component of other comprehensive income are attributed to the Group as owners. The excess of the Group's investment in a subsidiary over its share in the net worth of such subsidiary on the date control is acquired is treated as goodwill while a deficit is considered as a capital reserve in the CFS. On disposal of the subsidiary, attributable amount on goodwill is included in the determination of the profit or loss and recognised in the Consolidated Statement of Profit and Loss.

Impairment loss, if any, to the extent the carrying amount exceeds the recoverable amount is charged off to the Consolidated Statement of Profit and Loss as it arises and is not reversed. For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) which is not larger than an operating segment, and is monitored for internal management purposes. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of all intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

1.2 Recent Accounting Developments

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued from time to time. On 31st March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1, Presentation of Financial Statements – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1st April 2023. The Group has evaluated the amendment and the impact of the amendment is insignificant in the Financial Statements.

Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1st April 2023. The Group has evaluated the amendment and there is no impact on its Financial Statements.

Ind AS 12, Income Taxes – This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1st April 2023. The Group has evaluated the amendment and there is no impact on its Financial Statements.

2 Significant Accounting Policies

2.1 Statement of Compliance

These Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013, except as referred to in Note 33. The Consolidated Financial Statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

2.2 Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items (e.g. financial instruments) that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the Fair Value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair Value for measurement and / or disclosure purposes in these Financial Statements is determined on such a basis, except leasing transactions that are within the scope of Ind AS 116 – "Leases", and measurements that have some similarities to Fair Value but are not Fair Value, such as net realizable value in Ind AS 2 – "Inventories" or value in use in Ind AS 36 – "Impairment of Assets".

2.3 Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – "Presentation of Financial Statements" based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents; the Group has ascertained its operating cycle as 12 months for the purpose of current, non current classification of assets and liabilities.

2.4 Property, Plant and Equipment – Tangible Assets

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Cost is inclusive of all directly attributable expenses including borrowing cost related to acquisition. Expenses capitalized also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Consolidated Statement of Profit and Loss.

Capital Work in Progress is stated at cost (including borrowing cost, where applicable, and adjustment for exchange difference), incurred during construction / installation / preoperative periods relating to items or projects in progress.

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of the carrying amount and the Fair Value less cost to sale.
An impairment loss is recognized for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset is recognized at the date of de-recognition.
Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Non-current assets (or disposal group) classified as held for sale are presented separately in the balance sheet.

2.5 Intangible Assets

Intangible Assets that the Group controls and from which it expects future economic benefits are capitalized upon acquisition and measured initially:

a. for assets acquired in a business combination or by way of a Government grant, at Fair Value on the date of acquisition / grant.

2.5 contd….
b. for separately acquired assets, at cost comprising the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalized at cost. Research expenditure is recognized as an expense when it is incurred. Development costs are capitalized only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognized as the cost of such assets.

2.6 Derecognition of Tangible and Intangible assets
An item of Property Plant and Equipments (PPE) is de-recognized upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

2.7 Depreciation and Amortization
Depreciation on Property, Plant and Equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Intangible Assets are amortized on straight line basis as follows:
Computer Software - 2 to 5 years.
Technical Knowhow - 3 to 5 years
The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

2.8 Impairment of Assets
Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.
When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. Any reversal of an impairment loss is recognized immediately in the Consolidated Statement of profit and loss.

2.9 Inventories
Inventories are stated at lower of cost and net realizable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold are at or above cost. Net realizable value is the estimated selling price less estimated costs for completion and sale.
Obsolete, slow moving and defective inventories are identified periodically and, where necessary, a provision is made for such inventories.

2.10 Foreign Currency Transactions
The functional and presentation currency of the Group is Indian Rupee. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in consolidated statement of profit and loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

2.11 Derivatives
The Group enters into derivative financial instruments, primarily foreign exchange forward contracts, to manage its exposure to foreign exchange risks.

Derivatives are initially recognized at fair value and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gains / losses are recognized in the Consolidated Statement of Profit and Loss.

2.12 Financial instruments, Financial assets, Financial liabilities and Equity instruments
Recognition: Financial assets include Investments, Trade Receivables, Advances, Security Deposits, Cash and Cash Equivalents. Such assets are initially recognised at transaction price when the Group becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Consolidated Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:
(a) Amortized cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.

(b) Fair Value Through Other Comprehensive Income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at Fair Value, with unrealized gains and losses arising from changes in the Fair Value being recognized in other comprehensive income.

(c) Fair Value Through Profit or Loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the Fair Value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the Fair Value being recognised in the Consolidated Statement of Profit and Loss in the period in which they arise. Trade Receivables, Advances, Security Deposits, Cash and Cash Equivalents etc. are classified for measurement at amortized cost while investments may fall under any of the aforesaid classes.

Impairment: The Group assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortized cost and financial assets that are measured at Fair Value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

2.12 contd….

Reclassification: When the business model is changed, the Group shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortized cost, Fair Value through other comprehensive income, fair value through profit or loss without restating the previously recognized gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognized when the right to receive cash flows from the assets has expired, or has been transferred, and the Group has transferred substantially all of the risks and rewards of ownership.

Concurrently, if the asset is one that is measured at:

(a) Amortized cost, the gain or loss is recognized in the Consolidated Statement of Profit and Loss;

(b) Fair Value through other comprehensive income, the cumulative Fair Value adjustments previously taken to reserves are reclassified to the Consolidated Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition: Interest income is recognized in the Consolidated Statement of Profit and Loss using the effective interest method.

Dividend income is recognized in the Consolidated Statement of Profit and Loss when the right to receive dividend is established.

Financial Liabilities: Borrowings, trade payables and other financial liabilities are initially recognized at the value of the respective contractual obligations. They are subsequently measured at amortized cost. Any discount or premium on redemption / settlement is recognized in the Consolidated Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Cosolidated Balance Sheet.
Financial liabilities are derecognized when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.
Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Offsetting Financial Instruments: Financial assets and liabilities are offset and the net amount is included in the Consolidated Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.
The legally enforceable right must not be contingent in future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or counterparty.

Equity Instruments: Equity instruments are recognized at the value of the proceeds, net of direct costs of the capital issue.

Derivatives: Derivatives are initially recognized at fair value and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gains / losses are recognized in the Consolidated Statement of Profit and Loss immediately.

2.13 Revenue
Revenue from contract with customers is recognized when the Group satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations may be satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/ arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, stated net of discounts, returns and applicable taxes. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives / discounts. Accumulated experience is used to estimate and provide for the discounts / right of return, using the expected value method.

2.14 Government Grant
Government grants are recognized when there is reasonable assurance that the grant will be received, and the Group will comply with the conditions attached to the grant. Accordingly, government grants:

a) related to or used for assets are included in the Consolidated Balance Sheet as deferred income and recognized as income over the useful life of the assets.
b) related to incurring specific expenditures are taken to the Consolidated Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
c) by way of financial assistance on the basis of certain qualifying criteria are recognized as they become receivable.

2.15 Borrowing Costs
Borrowing cost comprises interest and other costs incurred in connection with borrowing the funds. All borrowing costs are recognized in the Consolidated Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale.

2.16 Employee Benefits
The undiscounted amount of Short-term Employee Benefits (i.e. benefits payable within one year) are recognized in the period in which the employee services are rendered.

Contributions towards provident funds are recognized as expense. Provident fund contributions in respect of employees are made to Trusts - 'Tractors (India) Limited Provident Institution' and 'TIL Limited (Kamarhatty Works) Provident Fund Institution' being administered by the trustees of the said fund for the benefit of employees of the Group and such Trusts invest funds following a pattern of investment prescribed by the Government. The interest rate payable to the members of the Trusts is not lower than the rate of interest declared annually by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act,1952 and shortfall, if any, on account of interest, is made good by the Group.

Contributions under Employees' Pension Scheme is made as per statutory requirements and charged as expenses for the year.

2.16 Contd.

The Group also contributes to the Central Government administered Employees' State Insurance Scheme for its eligible employees, which is a defined contribution plan.

Provisions for Gratuity for eligible employees (being a defined benefit plan) is made on the basis of year end actuarial valuation using Projected Unit Credit Method.

In respect of certain eligible employees who have attained 45 years of age as on 1st April 2009, provision for Superannuation under defined benefit plan is made on the basis of year end actuarial valuation using Projected Unit Credit Method.

In respect of certain eligible employees who have not attained 45 years of age as on 1st April 2009 provision for Superannuation is made :-
- under defined contribution scheme in respect of services rendered with effect from 1st April 2009.
- under defined benefit scheme in respect of services rendered up to 31st March 2009, based on frozen pensionable salary as on 31st March 2009 using Projected Unit Credit Method.

Service costs and net interest expense or income is reflected in the Consolidated Statement of Profit and Loss. Gain or Loss on account of remeasurement are recognized immediately through other comprehensive income in the period in which they occur.

Accrued liability towards compensated absence, covering eligible employees, evaluated on the basis of year end actuarial valuation using Projected Unit Credit Method, is recognised as a charge.

Ind AS 19 – Plan Amendment, Curtailment or Settlement:
It requires an entity to use updated assumptions to determine current service costs and net interest for the remainder of the period after a plan amendment, curtailment or settlement, and to recognize in the Consolidated Statement of Profit and Loss as part of past service cost, or gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

2.17 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether
(i) the contract involves the use of an identified asset;
(ii) the Group have substantially all of the economic benefits from the use of the asset through the period of the lease; and
(iii) the Group have the right to direct the use of the asset.
At the date of commencement of the lease, the Group recognize a Right Of use Asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short term and low value leases, the group recognizes the lease payments as an operating expense on a straight line over the term of the lease.
Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and liabilities include these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprise the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct cost less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.
ROU assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying value may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. higher of the Fair Value less cost to sale and the value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined using Cash Generating Unit (CGU) to which the asset belongs.

As per Ind AS- 116, lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.18 Taxes on Income
Taxes on income comprise of current taxes and deferred taxes. Current tax in the Consolidated Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which such unused tax losses can be utilized.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Tax Credit is recognized in respect of Minimum Alternate Tax (MAT) as per the provisions of Section 115JAA / 115JB of the Income Tax Act, 1961 based on convincing evidence that the Group will recover the same against normal income tax within the statutory time frame which is reviewed at each Balance Sheet Date.

2.19 Provisions and contingent liabilities

Provisions are recognized when, as a result of a past event, the Group has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognized is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

A disclosure of a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation and the likelihood of outflow of resources, is remote, no provision or disclosure of contingent liability is made.

2.20 Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM of the Parent Company is responsible for allocating resources and assessing performance of the operating segments. Based on such, the Group operates in one operating segment, viz. Materials Handling Solutions (MHS).

2.21 Earnings per Share

Basic earnings per share are calculated by dividing the profit and loss for the year attributable to shareholders by the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earnings per share, the profit and loss for the year attributable to Shareholders and weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential shares.

2.22 Cash and Cash Equivalents

Cash and cash equivalent in the Consolidated Balance Sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

For the purpose of the statement of cash flows, cash and cash equivalents include cash on hand, term deposits and other short-term highly liquid investments, net of bank overdrafts as they are considered an integral part of the Company's cash management. Bank overdrafts are shown within short term borrowings in the Balance Sheet.

2.23 The Group has adopted a norm to round-off any amount below Rs. 0.5 lakh.

3 Use of Estimates and Judgements

The preparation of Consolidated Financial Statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the Financial Statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements in Applying Accounting Policies

The preparation of the Company's Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Key sources of Estimation of Uncertainity

The following are the key assumptions concerning the future, and other key sources of estimation of uncertainity at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(All amounts in Rs Lakhs, unless otherwise stated)

3.1 Useful Lives of Property, Plant and Equipment and Intangible Assets

As described in the significant accounting policies, the Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

3.2 Fair Value Measurements and Valuation Processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. Fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the Fair Value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows

• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

• Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
• Level 3 inputs are unobservable inputs for the asset or liability. The Group engages third party valuers, where required, to perform the valuation.

Information about the valuation techniques and inputs used in determining the Fair Value of various assets and liabilities are disclosed in the notes to the Consolidated Financial Statements.

3.3 Actuarial Valuation

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognized in the consolidated Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the Financial Statements.

3.4 Claims, Provisions and Contingent Liabilities

The Group has ongoing litigations with various regulatory authorities. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations are provided in notes 37.1 to 37.3 to the Consolidated Financial Statements.

3.5 Inventory Obsolescence

The Group reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Group estimates the net realizable value for such inventories based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review at each balance sheet date and makes provision against obsolete and slow-moving items. The Group reassesses the estimation on each Balance Sheet date.

3.6 Impairment of Financial Assets

The Group assesses impairment based on Expected Credit Losses (ECL) model on trade receivables. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analysed.

3.7 Interest on Borrowings

As the lenders have classified the loan facilities as NPA and have stopped charging interest in some cases, the Management is recognizing interest as per the latest interest rate available with them on prudence.

3.8 Lease Liability

The period of lease in case of expired lease contract pending renewal, the best available data based on negotiations with the lessor and period of prior agreement is considered.

4 PROPERTY, PLANT AND EQUIPMENT

Particulars	**As at 31.03.2023**	As at 31.03.2022
Net Carrying amounts of		
Freehold Land	**1,756**	1,756
Buildings	**5,268**	5,664
Plant and Equipment	**2,308**	2,655
Furniture and Fixtures	**186**	348
Office Equipment	**6**	11
Vehicles	**65**	112
Total	**9,589**	10,546

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2023
(All amounts in Rs Lakhs, unless otherwise stated)

4 PROPERTY, PLANT AND EQUIPMENT contd…

Particulars	As at 01.04.2021	Additions	Disposals	Assets Held for Sale	As at 31.03.2022	Additions	Disposals	Assets Held for Sale	**As at 31.03.2023**
Gross Carrying Amount-Cost									
Freehold Land	1,694	62	-	-	1,756	-	-	-	**1,756**
Buildings	6,989	58	-	-	7,047	-	-	317	**6,730**
Plant and Equipment	4,928	5	2	-	4,931	-	2	-	**4,929**
Furniture and Fixtures	1,426	-	-	-	1,426	-	-	-	**1,426**
Office Equipment	27	*	-	-	27	-	-	-	**27**
Vehicles	163	-	-	-	163	-	26	-	**137**
Total	15,227	125	2	-	15,350	-	28	317	**15,005**

Particulars	As at 01.04.2021	Depreciation expense	Eliminated on disposals of assets	Assets Held for Sale	As at 31.03.2022	Depreciation expense	Eliminated on disposals of assets	Assets Held for Sale	**As at 31.03.2023**
Depreciation									
Freehold Land	-	-	-	-	-	-	-	-	**-**
Buildings	1,116	267	-	-	1,383	254	-	175	**1,462**
Plant and Equipment	1,870	407	1	-	2,276	347	2	-	**2,621**
Furniture and Fixtures	906	172	-	-	1,078	162	-	-	**1,240**
Office Equipment	11	5	-	-	16	5	-	-	**21**
Vehicles	15	36	-	-	51	35	14	-	**72**
Total	3,918	887	1	-	4,804	803	16	175	**5,416**

4.1 RIGHT-OF-USE ASSETS

Particulars	**As at 31.03.2023**	As at 31.03.2022
Net Carrying amounts of		
Right-of-use Assets	**1,011**	1,268
Total	**1,011**	1,268

Particulars	As at 01.04.2021	Addition / Modification	Disposals	Assets Held for Sale	As at 31.03.2022	Addition / Modification	Disposals	Assets Held for Sale	**As at 31.03.2023**
Gross Carrying Amount- Cost									
Right-of-use Assets	602	951	224	-	1,329	87	72	296	**1,048**
Total	602	951	224	-	1,329	87	72	296	**1,048**

Particulars	As at 01.04.2021	Amortization expense	Amortization on disposals	Assets Held for Sale	As at 31.03.2022	Amortization expense	Amortization on disposals	Assets Held for Sale	**As at 31.03.2023**
Amortization									
Right-of-use Assets	65	47	51	-	61	46	51	19	**37**
Total	65	47	51	-	61	46	51	19	**37**

* Amount is below the rounding off norm adopted by the Group.

4.2 For details of Property, Plant and Equipment given as security against borrowing - Refer Note 17.2.

4.3 Assets including Right-Of-Use assets located in Shahibabad and Chennai are exclusively securitized with Tata Capital Financial Services Ltd. and Aditya Birla Finance Ltd. respectively. Due to acute Liquidity crisis, the loan facilities granted to the Company by these two NBFCs were declared NPA. Accordingly, under the provisions of the SARFAESI Act, 2002. the two NBFCs have taken physical possession of the two properties. Accordingly, these two properties amounting to Rs. 419 Lakhs (Previous year Nil) have been categorized as Assets Held for Sale. Further, since the Fair Value of the two Properties are higher than its carrying value as on 31st March 2023, in the opinion of the management, no impairment provision is considered necessary.

4.4 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 & Equipment is higher than its carrying value as on 31st March 2023,based on said evaluation, in the opinion of the management, no impairment provision is considered necessary.

4.5 The Group doesn’t hold any Benami Property and there is no proceedings initiated or pending against the Group for holding any Benami Property under the Benami Transaction (Prohibition) Act, 1988 and rules made there under.

4.6 The Group has not revalued its Property, Plant & Equipment, Right of Use Assets and Intangible Assets during the current year and previous year.

(All amounts in Rs Lakhs, unless otherwise stated)

5 Leases

The Group has adopted Ind AS 116 - Leases (w.e.f. 1st April 2019). The Impact of Ind AS 116 on the consolidated financial statement for the year ended 31st March 2023 is as under.

5.1 Amount Recognized in Consolidated Balance Sheet and Consolidated Statement of Profit and Loss

Carrying amounts of the Right Of Use Assets and Lease Liabilities and movements during the year is given below

Particulars	Right of Use Assets	Lease Liabilities
	Land & Buildings	
As at 1st April 2021	537	263
Addition / Modification and Disposal of ROU assets (Net)	727	756
Amortization Expenses	47	-
Amortization on Disposal of ROU assets	51	-
Interest Expenses	-	34
Payments / Adjustments made during the year	-	(67)
As at 31st March 2022	1,268	986
As at 1st April 2022	**1,268**	**986**
Addition / Modification and Disposal of ROU assets (Net)	**15**	**63**
Amortization Expenses	**46**	**-**
Amortization on Disposal of ROU assets	**51**	**-**
Interest Expenses	**-**	**102**
Payments / Adjustments made during the year	**-**	**(100)**
Assets Held for Sale (Refer note 4.3)	**277**	
As at 31st March 2023	**1,011**	**1,051**

5.2 Amounts recognized in the Consolidated Statement of Profit and Loss

Particulars	For the Year Ended	For the Year Ended
	31.03.2023	31.03.2022
	Amount	Amount
Amortization expense on right of use assets	**46**	47
Interest expenses on lease liabilities	**102**	34
Rent Expenses of short term lease and leases of low value	**21**	60
Total	**169**	141

5.3 Lease liabilities

Carrying amounts of the right of use assets and liabilities and movements during the year

Particulars	**As at 31.03.2023**	As at 31.03.2022
Minimum lease payments		
Within one year	**95**	111
After one year but not more than five years	**488**	446
More than five years	**3,183**	3039
	3,766	3,596
Less: Future finance charges	**2,715**	2610
	1051	986
Included in the Financial Statements as		
Current Lease Liabilities (Refer Note 20-B)	**94**	111
Non-current Lease Liabilities (Refer Note 20-A)	**957**	875
	1051	986
The Net Carrying amount of ROU assets (Refer Note 4.1)	**1,011**	1,268
	1011	1,268

6 CAPITAL WORK-IN-PROGRESS

	Particulars	As at 31.03.2023	As at 31.03.2022
a.	Balance as at the beginning of the year	**27**	227
b.	Add: Additions during the year	**-**	-
c.	**Total Capital Work-In-Progress: c= (a+b)**	**27**	227
d.	Less: Transferred to Property, Plant and Equipment and Intangible Assets	**-**	117
e.	Less: Written off during the year	**-**	83
f.	**Balance as at the end of the year: f=(c-d-e)**	**27**	27

6.1 Ageing of Capital Work-in-Progress as on 31st March 2023 is as below

Capital Work in Progress (CWIP)	Amount of CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Projects in Progress	-	-	-	-	-
ii) Projects temporarily suspended	-	-	-	27	**27**
Total	**-**	**-**	**-**	**27**	**27**

Ageing of Capital Work-in-Progress as on 31st March 2022 is as below

Capital Work in Progress (CWIP)	Amount of CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) Projects in Progress	-	-	-	-	-
ii) Projects temporarily suspended	-	-	-	27	27
Total	**-**	**-**	-	27	27

Projects which have exceeded their original timeline/original budget is Rs. 27 Lakhs (Previous Year Rs. 27 Lakhs)

Expected Capital Work-in-Progress Completion schedule for overdue cases as at 31st March 2023

Capital Work in Progress (CWIP)	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended					
i) Paint Booth at Kharagpur	**-**	**27**	**-**	**-**	**27**
Total	**-**	**27**	**-**	**-**	**27**

Expected Capital Work-in-Progress Completion schedule for overdue cases as at 31st March 2022

Capital Work in Progress (CWIP)	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended					
(i) Paint Booth at Kharagpur	-	27	-	-	27
Total	-	27	-	-	27

7 INTANGIBLE ASSETS

Particulars	As at 31.03.2023	As at 31.03.2022
Net Carrying amounts of :		
Technical Know-how	-	-
Software	-	46
Total	-	46

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2023
(All amounts in Rs Lakhs, unless otherwise stated)

7 INTANGIBLE ASSETS Contd.…

Particulars	As at 01.04.2021	Additions	Disposals	As at 31.03.2022	Additions	Disposals	**As at 31.03.2023**
Gross Carrying Amount- Cost							
Technical Know-how	548	-	-	548	-	-	**548**
Software	325	-	-	325		-	**325**
Total	873	-	-	873	-	-	**873**

Particulars	As at 01.04.2021	Amortization expense	Eliminated on disposals of assets	As at 31.03.2022	Amortization expense	Eliminated on disposals of assets	**As at 31.03.2023**
Amortization							
Technical Know-how	548	-	-	548	-	-	**548**
Software	218	61	-	279	46	-	**325**
Total	766	61	-	827	46	-	**873**

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2023
(All amounts in Rs Lakhs, unless otherwise stated)

8-A NON-CURRENT INVESTMENTS

	As at 31.03.2023		As at 31.03.2022	
	Numbers	Value	Numbers	Value
I. Investments carried at Fair Value through Profit and Loss				
Unquoted Investments				
Investment in Equity Instrument				
Myanmar Tractors Limited	**602**	**13**	**602**	**13**
Shares of Kyats 1000 each fully paid				
(equivalent to US$ 168.55 each)				
Less: Provision for impairment of investment		**(13)**		**(13)**
Investments carried at Fair Value through Profit and Loss		**-**		**-**
Aggregate book value of investments				
Quoted		**-**		**-**
Unquoted		**-**		**-**
Total		**-**		**-**
Aggregate market value of quoted investments				**-**
Aggregate amount of impairment in value of investments		**13**		**13**

8-B CURRENT INVESTMENTS

	As at 31.03.2023		As at 31.03.2022	
	Numbers	Value	Numbers	Value
I. Investment carried at Fair Value through Profit and Loss				
Quoted Investments :				
Investment in Equity Instrument				
Eveready Industries India Limited	**1,266**	**4**	**1,266**	**4**
Shares of Rs. 5/- each fully paid				
McLeod Russel India Limited	**1,266**	*****	**1,266**	*****
Shares of Rs. 5/- each fully paid				
Bank of India	**7,900**	**6**	**7,900**	**4**
Shares of Rs. 10/- each fully paid				
Investment in Mutual Funds		**57**		**90**
Total		67		**98**
Aggregate book value of quoted investments		**67**		**98**
Aggregate market value of quoted investments		**67**		**98**

*Amount is below the rounding off norm adopted by the Group.

9 OTHER FINANCIAL ASSETS

A. NON-CURRENT

	As at 31.03.2023	As at 31.03.2022
Unsecured, Considered Good		
Security Deposits	**37**	53
Deposit with Banks	**-**	11
Earmarked Balances with Banks #	**111**	518
Total	**148**	582

Earmarked balances with banks represent balances held for margin money against issue of bank guarantees.

B. CURRENT

	As at 31.03.2023	As at 31.03.2022
Unsecured, Considered Good		
Security Deposits *	**127**	118
Claims Receivable	**129**	130
Others **	**18**	18
Total	**274**	266

* Security Deposits (net of provision of Rs. 101 Lakh [previous year Rs. 101 Lakh]) {Refer note 9.1(A)}
** Others (net of provision of Rs. 162 Lakhs [Previous year Rs. Nil) {Refer note 9.1(B)}

9.1 The Details of Movement of Provisions are as follows

A. **Provision for Security Deposit**	As at 31.03.2023	As at 31.03.2022
Balance at the beginning of the year	**101**	101
Additions during the year	**-**	-
Released to the Consolidated Statement of Profit and Loss	**-**	-
Balance at the end of the year	**101**	101

B. **Provision on Claims from Customers towards Bank Guarantee Invocation**	As at 31.03.2023	As at 31.03.2022
Balance at the beginning of the year	**-**	-
Additions during the year	**162**	-
Released to the Consolidated Statement of Profit and Loss	**-**	-
Balance at the end of the year	**162**	-

10-A INCOME TAX ASSETS (NET)

Particulars	As at 31.03.2023	As at 31.03.2022
Advance Income Tax {Net of Provision for Taxation Rs. 604 Lakhs (Previous year Rs. 604 Lakhs)}	**704**	499
Total	**704**	499

Income Tax (Benefits) / Expenses

The Group is subject to income tax in India on the basis of Standalone Financial Statements. As per the Income Tax Act, the Group is liable to pay income tax which is the higher of regular income tax payable and the amount payable based on the provisions applicable for Minimum Alternate Tax (MAT).
MAT paid in excess of regular income tax during a year can be carried forward for a period of 15 years and can be set-off against future tax liabilities.

The Reconciliation of Estimated Income Tax to Income Tax Expense is as below

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
Profit / (Loss) Before Tax	**(9,472)**	(41,816)
Statutory Income Tax Rate	**34.94%**	34.94%
Income Tax Expenses calculated at Statutory Rate	**(3,310)**	(14,611)
(i) Effect of Expenses that are not deductible in determining taxable profit on which DTA is not recognized	**689**	96
(ii) Effect of Tax Items in subsidiary company	**103**	512
(iii) Effect of permanent difference under Income Tax Act / Tax impact of losses on which DTA is not recognized	**1,924**	15,256
(iv) Others	**224**	48
Total Tax Expense Recognized in the Consolidated Statement Profit and Loss	**(370)**	1,301

10-B Components of Deferred Tax Assets / (Liabilities) as at 31st March 2023 as below

Particulars	Balance as at 01.04.2022	Recognized/ (Reversed) in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Balance as at 31.03.2023
Deferred Tax Assets				
Provisions	1,016	241	-	**1,259**
Disallowances u/s 43B of IT Act	579	34	39	**652**
Prepaid Lease Rent	6	14	-	**20**
MTM valuation of Investment	-	(1)	-	**(1)**
	1,601	288	39	**1,930**
Deferred Tax Liabilities				
Property, Plant and Equipment and Intangible Assets	1,170	(82)	-	**1,088**
	1,170	(82)	-	**1,088**
Net Deferred Tax Assets / (Liabilities) [A]	431	370	39	**842**
MAT Credit Entitlement				
MAT Credit Receivable	3,026	-	-	**3,026**
Total MAT Credit Receivable [B] *	3,026	-	-	**3,026**
Net Deferred Tax Assets / (Liabilities) [C]=[A]+[B]	3,457	370	39	**3,868**

Components of Deferred Tax Assets / (Liabilities) as at 31st March 2022 is as below

Particulars	Balance as at 01.04.2021	Recognized/ (Reversed) in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Balance as at 31.03.2022
Deferred Tax Assets				
Provisions	2,554	(1,538)	-	1,016
Disallowances u/s 43B of IT Act	198	353	28	579
Prepaid Lease Rent	5	1	-	6
	2,757	(1,184)	28	1,601
Deferred Tax Liabilities				
Property, Plant and Equipment and Intangible Assets	1,223	(53)	-	1,170
MTM valuation of Investment	2	(2)	-	-
	1,225	(55)	-	1,170
Net Deferred Tax Assets / (Liabilities) [A]	1,532	(1,129)	28	431
MAT Credit Entitlement				
MAT Credit Receivable	3,026	-	-	3,026
Total MAT Credit Receivable [B]	3,026	-	-	3,026
Net Deferred Tax Assets / (Liabilities) [C]=[A]+[B]	4,558	(1,129)	28	3,457

* Unused tax credits are due to expire from financial year 2027-28 to 2035-36

10.1 The Group has carried forward Minimum Alternate Tax Credit of Rs. 3026 Lakhs as on 31st March 2023 (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.

10.2 The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year ended 31st March 2023 and 31st March 2022 in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

10.3 At the end of the reporting period, the aggregate amount of temporary differences associated with undistributed earnings of the subsidiary which has not been recognized as on 31st March 2023 is Rs. Nil (31.03.2022: Rs. 82 Lakhs). Deferred tax on these differences has not been recognized because the parent is in a position to control the timing of the reversal of the temporary differences.

10.4 The Group has not recognized deferred tax assets on unused tax losses.

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2023
(All amounts in Rs Lakhs, unless otherwise stated)

11 OTHER ASSETS

A. NON-CURRENT

	As at 31.03.2023	As at 31.03.2022
Balance with Statutory / Government Authorities (other than income taxes) - [Refer Note 11.1]	18	5
Employee Advance	11	16
Total	29	21

B. CURRENT

	As at 31.03.2023	As at 31.03.2022
Advance to Suppliers	2,882	2,848
Less : Provision (Refer Note 11.2)	1,832	1,832
	1,050	1,016
Balance with Statutory / Government Authorities (other than income taxes)	391	317
Employee Advance	101	67
Prepaid Expenses	117	266
Total	1,659	1,666

11.1 Balance with Statutory / Government Authorities relates to amounts paid under protest in respect of demands from regulatory authorities.

11.2 The Details of Movement of Provisions are as follows

Provision for Advance to Suppliers	As at 31.03.2023	As at 31.03.2022
Balance at the beginning of the year	1,832	-
Additions during the year	-	1,832
Released to the Consolidated Statement of Profit and Loss	-	-
Balance at the end of the year	1,832	1,832

12 INVENTORIES

(Measure at lower of cost and net realisable value)	As at 31.03.2023	As at 31.03.2022
a. Raw Materials	10,180	10,878
	10,180	10,878
b. Work-in-Progress	1,893	3,437
	1,893	3,437
c. Finished Goods	-	-
	-	-
d. Stock-in-Trade	1,880	1,940
	1,880	1,940
e. Stores and Spares	115	175
	115	175
Total	14,068	16,430

12.1 The above includes Goods-in-Transit as under (Refer Note 12.5)

	As at 31.03.2023	As at 31.03.2022
Raw Materials	3,137	3,682
Stock-in-Trade	82	78
Total	3,219	3,760

12.2 Value of inventories of Raw Materials above is stated after provisions of Rs.383 Lakhs (Previous year Rs. 602 Lakhs) on slow moving stock. Further, Rs. 56 Lakhs (Previous year Rs. 11,348 Lakhs; shown as Exceptional Items under note 32) have been written off during the year based on physical verification conducted by the management.

12.3 Value of inventories of Work-In-Progress above is stated after provisions of Rs. 51 Lakhs (Previous year Rs. 101 Lakhs) for write down to net realizable value. Further, Rs. Nil (Previous year Rs. 1,525 Lakhs; shown as Exceptional Item under note 32) have been written off during the year. Further, Stock-in-trade amounting to Rs. 52 Lakhs (Previous year; Rs. 1,535 Lakhs; shown as Exceptional Item under note 32) have been written off during the year based on physical verification conducted by the management.

12.4 For details of Inventories given as security against borrowing (Refer Note 17.2)

12.5 Raw Materials / Stores and Spares includes materials valuing Rs. 3,248 Lakhs (Previous year Rs. 3,787 Lakhs) lying in Bonded Warehouse/ at Port as on 31st March 2023 which also includes Rs. 3,234 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.
Further Rs. 190 Lakhs (Previous year Rs. Nil) have been written off during the year on account of auction by Customs Authority.

13 TRADE RECEIVABLES

	As at 31.03.2023	As at 31.03.2022
Unsecured, Considered Good	**3,019**	2,610
Unsecured, Considered Doubtful	**1,607**	1,047
Which have Significant Increase in Credit Risk	**-**	-
Credit Impaired	**-**	-
	4,626	**3,657**
Less : Allowance for Credit Loss	**(1,607)**	(1,047)
Total	**3,019**	2,610

In determining the allowances for credit losses of trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected allowance for credit losses is based on the ageing of the receivables that are due and rates used in the provision matrix.

13.1 Movements in Allowance for Credit Losses is as below:

	As at 31.03.2023	As at 31.03.2022
Balance at the beginning of the year	**1,047**	7,166
Charge in Consolidated Statement of Profit and Loss	**560**	5,831
Utilized during the year	**-**	(11,950)
Balance at the end of the year	**1,607**	1,047

13.2 There are no debts due by the Directors or other officer of the Group or any of them severally or jointly with any other person or debts due by the firm or private companies respectively in which any Director is a partner or a Director or a member.

13.3 There are no unbilled receivable as on 31st March 2023 and 31st March 2022.

13.4 (a) Ageing of Trade Receivables as at 31st March 2023

Particulars	**Outstanding for following periods from due date of payment**						
	Not due	**Less than 6 months**	**6 months to 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed Trade Receivable							
(i) Considered Good	**366**	**952**	**844**	**488**	**369**	**-**	**3,019**
(ii) Considered Doubtful	**16**	**63**	**152**	**144**	**308**	**924**	**1,607**
(iii) Which have Significant Increase in Credit Risk	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(iv) Credit Impaired	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Disputed Trade Receivable					**-**	**-**	**-**
(i) Considered Good	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(ii) Considered Doubtful	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(iii) Which have Significant Increase in Credit Risk	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(iv) Credit Impaired	**-**	**-**	**-**	**-**		**-**	**-**
Total	**382**	**1,015**	**996**	**632**	**677**	**924**	**4,626**
Less: Credit loss allowances on Trade Receivable							**1607**
Total							**3,019**

b. Ageing of Trade Receivables as at 31st March 2022

Particulars	**Outstanding for following periods from due date of payment**						
	Not due	**Less than 6 months**	**6 months to 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed Trade Receivable							
(i) Considered Good	735	685	313	614	263	-	2,610
(ii) Considered Doubtful	16	43	45	145	280	518	1,047
(iii) Which have Significant Increase in Credit Risk	-	-	-	-	-	-	-
(iv) Credit Impaired	-	-	-	-	-	-	-
Disputed Trade Receivable							
(i) Considered Good	-	-	-	-	-	-	-
(ii) Considered Doubtful	-	-	-	-	-	-	-
(iii) Which have Significant Increase in Credit Risk	-	-	-	-	-	-	-
(iv) Credit Impaired	-	-	-	-	-	-	-
Total	**751**	**728**	**358**	**759**	**543**	**518**	**3,657**
Less: Credit loss allowances on Trade Receivable							1047
Total							**2,610**

(All amounts in Rs Lakhs, unless otherwise stated)

14-A CASH AND CASH EQUIVALENTS

	As at 31.03.2023	As at 31.03.2022
Cash in hand	**1**	3
Balances with Banks:		
In Current Accounts	**131**	94
Total Cash and Cash Equivalents	**132**	97

14-B OTHER BANK BALANCES

In Earmarked Dividend accounts	**7**	7
Balances held as Margin Money #	**-**	226
In Fixed Deposit Accounts (Under Lien)	**1**	131
Total Other Bank Balances	**8**	364

Balances held as margin money represent balances against issue of letter of credit

15 EQUITY SHARE CAPITAL

	As at 31.03.2023	As at 31.03.2022
Authorized		
20,000,000 (31.03.2022 : 20,000,000) Equity Shares of Rs 10/- each	**2,000**	2,000
Issued		
10,030,265 (31.03.2022: 10,030,265) Equity Shares of Rs 10/- each	**1,003**	1,003
Subscribed and Paid up		
10,030,265 (31.03.2022: 10,030,265) Equity Shares of Rs 10/- each (fully paid up)	**1,003**	1,003
Total	**1,003**	1,003

15.1 Rights, Preferences and Restrictions attached to Equity Shares

The Group has one class of Equity Shares having a par value of Rs. 10/- per share. Each Shareholder is eligible for one vote per share held. Shareholders are entitled to Dividend as and when proposed by the Board of Directors which is subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholding.

15.2 Movement in Subscribed and Paid up Share Capital

Particulars	As at 31.03.2023		As at 31.03.2022	
	Numbers	Amount	Numbers	Amount
Balance as at the beginning of the year	**1,00,30,265**	**1,003**	1,00,30,265	1,003
Balance as at the end of the year	**1,00,30,265**	**1,003**	1,00,30,265	1,003

15.3 Details of Shares held by Each Shareholder holding more than 5% of the Aggregate Shares

Particulars	As at 31.03.2023		As at 31.03.2022	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
Fully paid equity shares				
The Coles Crane Group Ltd	**19,30,828**	**19.25%**	19,30,828	19.25%
LICI ACM NON PAR (Formerly named as 'Life Insurance Corporation of India')	**7,26,438**	**7.24%**	10,13,512	10.10%
Mr. Sumit Mazumder	**7,67,447**	**7.65%**	7,67,447	7.65%

15.4 Details of Shares held by Promotors / Promotor's Group

Particulars	As at 31.03.2023		As at 31.03.2022	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
Mr. Sumit Mazumder	**7,67,447**	**7.65%**	7,67,447	7.65%
Ms. Manju Mazumder	**9,200**	**0.09%**	9,200	0.09%
Ansuya Agencies Pvt. Ltd.	**1,05,500**	**1.05%**	1,05,500	1.05%
Supriya Leasing Limited	**3,58,707**	**3.58%**	3,58,707	3.58%
Mahan Eximp Private Limited	**4,35,955**	**4.35%**	4,35,955	4.35%
Marbellous Trading Pvt. Ltd.	**4,57,230**	**4.56%**	4,57,230	4.56%
Arihant Merchants Private Limited	**3,18,749**	**3.18%**	3,18,749	3.18%
Sunrise Proteins Limited	**2,65,186**	**2.64%**	2,65,186	2.64%
Nachiketa Investments Co. Pvt. Ltd.	**1,97,273**	**1.97%**	1,97,273	1.97%
Salgurn Merchants Pvt. Ltd.	**2,17,223**	**2.17%**	2,17,223	2.17%
BP Commodities Pvt. Ltd.	**2,82,500**	**2.82%**	2,82,500	2.82%
Gokul Leasing and Finance Pvt. Ltd.	**2,49,000**	**2.48%**	2,49,000	2.48%
Subhmangal Tracom Pvt. Ltd.	**52,000**	**0.52%**	52,000	0.52%
The Coles Cranes Groups Ltd.	**19,30,828**	**19.25%**	19,30,828	19.25%

(All amounts in Rs Lakhs, unless otherwise stated)

16	**OTHER EQUITY**	**As at 31.03.2023**	As at 31.03.2022
	Securities Premium	**1,934**	1,934
	Capital Reserve	**878**	878
	Capital Redemption Reserve	**400**	400
	Development Rebate Reserve	**1**	1
	Amalgamation Reserve	**20**	20
	General Reserve	**3,013**	3,013
	Foreign Currency Translation Reserve	**2,890**	2,853
	Retained Earnings	**(39,375)**	(30,200)
	Total	**(30,239)**	(21,101)

16.1	**Securities premium**	**As at 31.03.2023**	As at 31.03.2022
	Balance at the beginning of the year	**1,934**	1,934
	Balance at the end of the year	**1,934**	1,934

16.2	**Capital Reserve**	**As at 31.03.2023**	As at 31.03.2022
	Balance at the beginning of the year	**878**	878
	Balance at the end of the year	**878**	878

16.3	**Capital Redemption Reserve**	**As at 31.03.2023**	As at 31.03.2022
	Balance at the beginning of the year	**400**	400
	Balance at the end of the year	**400**	400

16.4	**Development Rebate Reserve**	**As at 31.03.2023**	As at 31.03.2022
	Balance at the beginning of the year	**1**	1
	Balance at the end of the year	**1**	1

16.5	**Amalgamation Reserve**	**As at 31.03.2023**	As at 31.03.2022
	Balance at the beginning of the year	**20**	20
	Balance at the end of the year	**20**	20

16.6	**General Reserve**	**As at 31.03.2023**	As at 31.03.2022
	Balance at the beginning of the year	**3,013**	3,013
	Balance at the end of the year	**3,013**	3,013

16.7	**Foreign Currency Translation Reserve**	**As at 31.03.2023**	As at 31.03.2022
	Balance at the beginning of the year	**2,853**	2,773
	Movement for the year	**37**	80
	Balance at the end of the year	**2,890**	2,853

16.8	**Retained earnings**	**As at 31.03.2023**	As at 31.03.2022
	Balance at the beginning of the year	**(30,200)**	12,968
	Movement for the year	**(9,175)**	(43,168)
	Balance at the end of the year	**(39,375)**	(30,200)

17 BORROWINGS

A. NON-CURRENT

Measured at Amortized Cost ***Secured Borrowings***	**As at 31.03.2023**	As at 31.03.2022
Term Loans		
From Banks	**1,804**	1,890
Less:- Current Maturities of Long - Term Debt / Reclassification (Refer Note 17.1)	**1,464**	597
	340	1,293
From Financial Institutions	**2,606**	2,593
Less:- Reclassification (Refer Note 17.1)	**2,606**	889
	-	1,704
Unsecured Borrowings		
Loans from related parties (Refer Note 41.2)	**14,819**	14,763
	15,159	17,760

B. CURRENT

	As at 31.03.2023	As at 31.03.2022
Secured		
Measured at Amortized Cost		
Current Maturities of Long - Term Debt / Facilities Recalled (Refer Note 17.1)	**4,070**	1,487
Loan Repayable on Demand from Banks	**16,275**	16,108
Unsecured		
Other Working Capital facilities from Banks	**2,551**	2,563
Loans from related parties (Refer Note 41.2)	**1,066**	1,066
Others	**897**	865
Total	**24,859**	22,089

17.1 As referred in Note 34, lenders have declared the loan facilities granted to the Parent Company as NPA. Further, all lenders, except 2 banks, have recalled loan facilities granted to the Parent Company and accordingly, the amount outstanding on the recall dates have become immediately due and hence, have been classified as current borrowings amounting to Rs. 3,814 Lakhs (Previous year Rs. Nil)

Current maturities of long term debt includes Rs. 256 Lakhs (Previous Year Rs 1,487 Lakhs) where recall notices have not been issued by the banks.

17.2 Nature of Security, Terms of Repayment and Interest for Secured Borrowings

Instrument	Nature of Security	Terms of Repayments
1. Term Loan from Banks a) Guaranteed Emergency Credit Line under GECL 2.0 scheme	This scheme is launched by the Govt. Of India through Ministry of Finance and managed by and Guaranteed by National Credit Guarantee Trustee Company Limited and extension of 2nd charge over the primary & collateral securities including mortgages created in favour of the consortium banks on pari-passu basis.	GECL loan from SBI of Rs. 6.89 crores @ 7.95% interest p.a.is repayable by way of 48 equal monthly installments after moratorium period of 1 year from the date of receipt. However, during the F.Y. 22-23, the loan facility has been recalled and hence become immediately due. The outstanding amount as on 31st March 2023 is Rs. 660 Lakhs (Previous year Rs. 689 Lakhs).
		GECL loan from PNB of Rs. 5 crores @ 8.35% interest p.a. is repayable by way of 48 equal monthly installments after moratorium period of 1 year from the date of receipt. The outstanding amount as on 31st March 2023 is Rs. 498 Lakhs (Previous year Rs. 498 Lakhs).
		GECL loan from PNB of Rs. 98 Lakhs @ 7.25% interest p.a. is repayable by way of 48 equal monthly installments after moratorium period of 2 year from the date of receipt. The outstanding amount as on 31st March 2023 is Rs. 98 Lakhs (Previous year Rs. 98 Lakh).
		GECL loan from Union Bank of India of Rs.210 Lakhs @8.2% interest p.a. is repayable is by way of 48 equal monthly installments after moratorium period of 1 year from the date of receipt. However, during the F.Y. 22-23, the loan facility has been recalled and hence become immediately due. The outstanding amount as on 31st March 2023 is Rs. 203 Lakhs (Previous year Rs. 210 Lakhs).
		GECL loan from IDBI Bank of Rs199 Lakhs @8.8% interest p.a. is repayable by way of 48 equal monthly installments after moratorium period of 1 year from the date of receipt. However, during the F.Y. 22-23, the loan facility has been recalled and hence become immediately due. The outstanding amount as on 31st March 2023 is Rs. 170 Lakhs (Previous year Rs. 191 Lakhs).
b. Financial Assistance under CESS-2020 Scheme	Secured by extension of charge on primary and collateral securities which were given for working capital facilities to Consortium Bankers as detailed below : secured by a first pari-passu charge on entire current assets of the Company (namely stocks, trade receivables) and all other movables (both present and future) whether lying loose or in cases or which are stored in the factories, premises and godowns, situated at Kamarhatty, Kharagpur & Taratolla Unit of the Company.	CESS loan from BOI of Rs. 410 Lakhs @7.95% interest p.a. is repayable by way of 18 equal monthly installments after moratorium period of six months from the date of receipt. However, during the F.Y. 22-23, the loan facility has been recalled and hence become immediately due. The outstanding amount as on 31st March 2023 is Rs. 175 Lakhs (Previous year Rs. 175 Lakhs). CESS loan from PNB of Rs. 250 Lakhs @8.25% interest p.a. is repayable by way of 18 equal monthly installments after moratorium period of six months from the date of receipt. The outstanding amount as on 31st March 2023 is Rs. Nil (Previous year Rs. 30 Lakhs).
2. Term Loan from Financial Institutions	Secured by Hypothecation of leasehold land at Sahibabad and personal Guarantee of one of the directors. (Refer Note 4.3)	Term Loan from Tata Capital Financial Services Limited is repayable by way of 14 quarterly installments starting from June 2020 along with interest @ 14.05% per annum. 1st two installments of Rs. 104 Lakhs each next four installments of Rs. 140 Lakhs each next four installments of Rs. 200 Lakhs each next four installments of Rs. 208 Lakhs each. However, during the F.Y. 22-23, the loan facility has been recalled and hence become immediately due. The outstanding amount as on 31st March 2023 is Rs. 1,023 Lakhs (Previous year Rs. 1,023 Lakhs).
	Secured by Hypothecation of office at Chennai located at Jhaver Plaza, 7th floor 1-A, Nungambakkam High Road Chennai-600 034. (Refer Note 4.3)	1. Term Loan from Aditya Birla Finance Limited is repayable by way of 60 equal monthly installment of Rs. 8.33 lakhs starting from April 2020 along with interest @ 13.80% per annum. However, during the F.Y. 22-23, the loan facilities has been recalled and hence become immediately due. The outstanding amount as on 31st March 2023 is Rs. 330 Lakhs (Previous year Rs. 330 Lakhs). 2. Term Loan from Aditya Birla Finance Limited received during the year of Rs. 100 Lakhs is repayable by way of 46 equal monthly installments of Rs 2.73 Lakhs (including interest @ 11.75%) starting from 15th August, 2021. However, during the F.Y. 22-23, the loan facility has been recalled and hence become immediately due. The outstanding amount as on 31st March 2023 is Rs. 90 Lakhs (Previous year Rs. 90 Lakhs).
3. Term Loan from Financial Institutions (GECL) - Guaranteed Emergency Credit Line under GECL 2.0 scheme	This scheme is launched by the Govt. Of India through Ministry of Finance and managed by and Guaranteed by National Credit Guarantee Trustee Company Limited and extension of 2nd charge over the primary & collateral securities including mortgages created in favour of the consortium banks on pari-passu basis.	GECL loan from Tata Capital Financial Services of Rs 480 Lakhs @ 13.30% interest p.a. is repayable by way of 48 equal monthly installments after moratorium period of 1 year from the date of receipt. However, during the F.Y. 22-23, the loan facility has been recalled and hence become immediately due. The outstanding amount as on 31st March 2023 is Rs. 470 Lakhs (Previous year Rs. 470 Lakhs).
		GECL loan from Tata Capital Financial Services of Rs 547 Lakhs @ 13.05% interest p.a.is repayable by way of 48 equal monthly installments after moratorium period of 2 years from the date of receipt. However, during the F.Y. 22-23, the loan facility has been recalled and hence become immediately due. The outstanding amount as on 31st March 2023 is Rs. 547 Lakhs (Previous year Rs. 547 Lakhs).
		GECL loan from Aditya Birla Finance Limited of Rs 100 Lakhs @12.5% interest p.a. is repayable by way of 48 equal monthly installments after moratorium period of 1 year from the date of receipt. However, during the F.Y. 22-23, the loan facility has been recalled and hence become immediately due. The outstanding amount as on 31st March 2023 is Rs. 98 Lakhs (Previous year Rs. 98 Lakhs).
		GECL loan from Aditya Birla Finance Limited of Rs 50 lakhs is @ 12.5% interest p.a. repayable by way of 48 equal monthly installments after moratorium period of 2 years from the date of receipt. However, during the F.Y. 22-23, the loan facility has been recalled and hence become immediately due. The outstanding amount as on 31st March 2023 is Rs. 47 Lakhs (Previous year Rs. 47 Lakhs).

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2023
(All amounts in Rs Lakhs, unless otherwise stated)

Instrument	Nature of Security	Terms of Repayments
4. Secured Loans - repayable on demand from banks	These loans are secured by a first pari-passu charge on entire current assets of the Company (namely stocks, trade receivables) and all other movables (both present and future) whether lying loose or in cases or which are stored in the factories, premises and godowns, situated at Kamarhatty, Kharagpur & Taratolla Unit of the Company. First pari-passu charge on movable assets including movable plant and machinery, machinery spares, tools and accessories etc. both present and future situated at Kharagpur & Taratolla. First pari-passu charge on movable assets including moveable plant and machinery, machinery spares, tools and accessories etc. both present and future situated at Kamarhatty Unit of the Company. Short term borrowings include cash credit facilities and working capital demand loans availed from four banks which are further secured by personal guarantee of one of the Directors of the Company amounting to Rs. 9,038 lakhs (Previous year Rs. 8,654 Lakhs).	These consist of cash credit facilities which are repayable on demand.

17.3 The Maturity Profile of Company's Secured Borrowings are as below

	As at 31.03.2023	As at 31.03.2022
Not later than one year (Including facilities recalled - Refer Note 17.2)	**4,070**	1,487
Later than one year but not two years	**149**	1,092
Later than two years but not three years	**147**	861
More than three years	**44**	1,044
Total	**4,410**	4,484

17.4 Details of period and amount of default as on the Balance Sheet date in repayment of borrowings and interest as at 31st March 2023 is given below in the table below.

Name of the Bank/Financial Institution	Type of Account	Principal / Interest Due	Amount (Rs. In Lakhs)	Outstanding since #
Aditya Birla Finance Ltd.	Long Term Loan	Principal	420.51	15-02-2022
		Interest	43.35	15-02-2022
	GECL Loan	Principal	145.71	15-02-2022
		Interest	17.55	15-02-2022
Tata Capital Financial Services Ltd.	Long Term Loan	Principal	1,022.62	13-04-2022
		Interest	97.89	13-04-2022
	GECL Loan	Principal	1,017.00	10-05-2022
		Interest	96.93	10-05-2022
Bank of India	Covid Loan	Principal	174.57	06-11-2021
		Interest	18.80	30-11-2021
	WCDL	Principal	2,460.00	20-03-2022
		Interest	324.49	31-12-2021
	Cash Credit	Principal	726.34	20-03-2022
		Interest	80.06	20-03-2022
Punjab National Bank *	GECL Loan	Principal	125.00	01-04-2022
		Interest	55.36	01-04-2022
	Cash Credit	Principal	106.30	31-12-2022
		Interest	-	-
HDFC Bank	Short Term Loan	Principal	2,551.12	16-10-2021
		Interest	308.76	01-02-2022
	Cash Credit	Principal	2,364.40	31-10-2021
		Interest	306.76	31-10-2021
Union Bank of India	GECL Loan	Principal	202.77	01-06-2022
		Interest	14.57	01-06-2022
	Short Term Loan	Principal	153.43	17-06-2022
		Interest	25.72	01-04-2022
	WCDL	Principal	563.18	17-06-2022
		Interest	63.92	01-04-2022
	Cash Credit	Principal	379.53	17-06-2022
		Interest	38.81	17-06-2022
State Bank of India	GECL Loan	Principal	660.30	10-06-2022
		Interest	44.51	01-07-2022
	WCDL	Principal	2,070.00	11-02-2023
		Interest	165.12	01-10-2023
	Cash Credit	Principal	17.81	11-02-2023
		Interest	12.49	11-02-2023
Indian Bank	Cash Credit	Principal	2,089.31	01-04-2022
		Interest	277.02	01-04-2022
IDBI Bank	GECL Loan	Principal	169.98	01-09-2022
		Interest	10.25	01-09-2022
	Cash Credit	Principal	310.84	24-12-2022
		Interest	16.95	24-12-2022
South Indian Bank	WCDL	Principal	1,510.10	08-08-2022
		Interest	222.25	01-08-2022
	Cash Credit	Principal	793.22	08-08-2022
		Interest	-	-
Axis Bank *	Cash Credit	Interest	0.75	01-07-2022
	WCDL	Interest	23.65	01-07-2022

In case of Cash Credit & WCDL Facilities, the date of default / outstanding since have been considered as earlier of the date on which Cash Credit limit was overdrawn or recall date (including the grace period, if any).

In the case of other short-term facilities (excluding CC & WCDL facilities), the date of default has been considered as earlier of the first instance of the default continuing as at the balance sheet date or recall date (including the grace period, if any).

In case of long term loan, the date of default has been considered as earlier of the first instance of the default continuing as at the balance sheet date or recall date (including the grace period, if any).

* Loan facilities have been classified as NPA but recall letter has not been received by the Management.

Details of period and amount of default as on the Balance Sheet date in repayment of borrowings and interest as at 31st March 2022 is given below in the table below.

Name of the Bank/Financial Institution	Type of Account	Principal /Interest Due	Amount (Rs. In Lakhs)	#Outstanding since
Aditya Birla Finance Ltd.	Long Term Loan	Principal	20.39	15-02-2022
		Interest	7.24	15-02-2022
	GECL Loan	Principal	4.17	15-02-2022
		Interest	2.96	15-02-2022
Bank of India	Covid Loan	Principal	119.46	06-11-2021
		Interest	5.80	30-11-2021
Punjab National Bank	Covid Loan	Principal	18.91	22-02-2022
		Interest	-	-
HDFC Bank	Short Term Loan	Principal	2,508.07	16-10-2021
		Interest	79.27	01-02-2022
Union Bank	Short Term Loan	Principal	-	-
		Interest	0.59	28-02-2022

Further, Cash Credit facilities availed from HDFC Bank is overdrawn to the extent of Rs. 284 Lakhs as on 31.03.2022 w.e.f 31st October, 2021.

(All amounts in Rs Lakhs, unless otherwise stated)

18 PROVISIONS

A. NON-CURRENT

		As at 31.03.2023	As at 31.03.2022
Provision for Employee Benefits			
Provision for Contribution to Provident Fund (PF)		**-**	-
Provision for Compensated Absences (Unfunded)		**503**	512
	Total	**503**	512

B. CURRENT

		As at 31.03.2023	As at 31.03.2022
(a) Provision for Employee Benefits			
Provision for Contribution to Provident Fund (PF)		**51**	-
Provision for Compensated Absences (Unfunded)		**9**	22
		60	22
(b) Other Provisions			
Provision for Warranty		**28**	17
	Total	**88**	39

18.1 The Details in Movement of Other Provisions are as follows

		As at 31.03.2023	As at 31.03.2022
Provision for warranty			
Balance at the beginning of the year		**17**	155
Additions during the year		**14**	17
Released to the Consolidated Statement of Profit and Loss		**(3)**	(155)
Balance at the end of the year	**Total**	**28**	17

(All amounts in Rs Lakhs, unless otherwise stated)

19 TRADE PAYABLE

	As at 31.03.2023	As at 31.03.2022
A) Total outstanding dues of micro enterprises and small enterprises	**395**	382
Acceptances		
B) Total outstanding dues of Creditors other than micro enterprises and small enterprises	**12,162**	8,922
Total	**12,557**	9,304

19.1 Ageing of Trade Payable

Trade Payable ageing schedule as on 31st March 2023

Particulars	Not Due	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	TOTAL
(i) MSME	**-**	**163**	**216**	**16**		**395**
(ii) Others	**3,231**	**4,312**	**3,095**	**756**	**768**	**12,162**
(iii) Disputed Dues - MSME	**-**	**-**	**-**	-	-	-
(iv) Disputed Dues -Others	**-**	**-**	**-**	-	-	-
Total	**3,231**	**4,475**	**3,311**	**772**	**768**	**12,557**

Trade Payable ageing schedule as on 31st March 2022.

Particulars	Not Due	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	TOTAL
(i) MSME	-	324	48	10	-	382
(ii) Others	1,865	5,478	807	772	-	8,922
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues -Others	-	-	-	-	-	-
Total	**1,865**	**5,802**	**855**	782	-	9,304

19.2 The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises (MSME) Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Group. The disclosures relating to Micro and Small Enterprises are as below:

		As at 31.03.2023	As at 31.03.2022
(i)	Principal amount remaining unpaid to MSME suppliers as at the end of the year	**395**	382
(ii)	Interest due on unpaid principal amount to MSME suppliers as at the end of the year	**58**	27
(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	**-**	-
(iv)	The amount of interest due and payable for the year	**58**	27
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	**85**	27

20 LEASE LIABILITIES

	As at 31.03.2023	As at 31.03.2022
A NON-CURRENT		
Lease Liability	**957**	875
Total	**957**	875

	As at 31.03.2023	As at 31.03.2022
B CURRENT		
Lease Liability	**94**	111
Total	**94**	111

21 OTHER FINANCIAL LIABILITIES

CURRENT

	As at 31.03.2023	As at 31.03.2022
Interest accrued but not due (Refer Note 21.2)	**13**	17
Interest accrued and due on Borrowings (Refer Note 21.2)	**2,407**	322
Unclaimed Dividend	**7**	7
Other Financial Liabilities	**85**	85
Total	**2,512**	431

21.1 There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of Companies Act, 2013, as at the year end.

21.2 As referred to in Note No. 34, lenders have declared the loan facilities granted to the Parent Company as NPA. The loan accounts have been downgraded on account of default/non-payment of principal/interest or continuous overdrawn cash credit limits. Due to this, some banks/ financial institutions have provided outstanding amounts including unapplied interest upto 31st March, 2023 whereas some of the banks have provided outstanding amounts without unapplied interest. However, the management has provided for interest upto 31st March, 2023 based on management's best estimates in case where interest was not applied by banks/ Financial Institutions post NPA downgradation.

(All amounts in Rs Lakhs, unless otherwise stated)

22 OTHER CURRENT LIABILITIES

	As at 31.03.2023	As at 31.03.2022
Capital Vendor	**16**	44
Contribution to Funds (Gratuity, Superannuation, etc.)	**2,101**	1,674
Security Deposit from Customers	**7**	7
Statutory Remittances	**1,769**	1,639
Advance from Customers and Others	**3,494**	3,507
Others	**142**	83
Total	**7,529**	6,954

23 REVENUE FROM OPERATIONS

	Year Ended 31.03.2023	Year Ended 31.03.2022
Sale of Products		
Manufactured Goods	**3,304**	2,678
Traded Goods	**666**	2,480
Sale of Services	**412**	1,358
	4,382	6,516
Other Operating Income		
Export Incentives *	**1**	8
Scrap Sales	**-**	100
	1	108
Revenue From Operations	**4,383**	6,624

* Government Grants under duty drawback scheme

24 OTHER INCOME

	Year Ended 31.03.2023	Year Ended 31.03.2022
Interest income		
- On Bank Deposits	**39**	106
Profit on Sale of Long Term Investment	**1**	72
Gain on Sale of Property, Plant and Equipment (Net)	**-**	1
Gain on Sale of Assets Held for Sale (Net)	**-**	283
Gain on Fair Valuation of investments carried through Profit and Loss (Net)	**2**	5
Provisions / Liabilities no longer required written back	**536**	610
Gain on Modification / Termination on Lease Assets	**3**	-
Other Miscellaneous Income	**89**	12
Total	**670**	1,089

25 COST OF MATERIALS CONSUMED

	Year Ended 31.03.2023	Year Ended 31.03.2022
Material Consumed	**1,173**	2,098
Total	**1,173**	2,098

26 PURCHASE OF STOCK-IN-TRADE	Year Ended 31.03.2023	Year Ended 31.03.2022
Purchase of Traded Goods	**309**	2,004
Total	**309**	2,004

27 CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS	Year Ended 31.03.2023	Year Ended 31.03.2022
Inventories at the end of the year		
Work-in-Progress	**1,893**	3,437
Finished Goods	**-**	-
Traded Goods	**1,880**	1,940
	3,773	5,377
Inventories at the beginning of the year		
Work-in-Progress	**3,437**	4,580
Less : Written off (Refer Note No 32)	**-**	(1,525)
Finished Goods	**-**	-
Traded Goods	**1,940**	2,854
Less : Written off (Refer Note No 32)	**-**	(1,535)
	5,377	4,374
Translation difference	**-**	1
Net (Increase) / Decrease	**1,604**	(1,002)

28 EMPLOYEE BENEFITS EXPENSE	Year Ended 31.03.2023	Year Ended 31.03.2022
Salaries and Wages	**3,129**	4,846
Contribution to Provident and other Funds	**345**	440
Staff Welfare Expenses	**199**	250
Total	**3,673**	5,536

28.1 Employee Benefits

The Group has recognized, in the Consolidated Statement of Profit and Loss for the year ended 31.03.2023 an amount of Rs. 202 Lakhs (Previous year Rs. 319 Lakhs) as expenses under defined contribution plans.

Defined Benefit Plans

(A) Gratuity Fund

The Parent Company makes periodic contributions to the Tractors India Limited Staff Gratuity Fund, a funded defined benefit plan for qualifying employees administrated under a common Trust by the trustees of the said fund for the benefit of the employees of the Group.

Under the Gratuity plan, every employee is entitled to gratuity, being higher of the amount, calculated under the Group's plan (based on average salary of last 36 months and number of years of service, restricted to a maximum of 40 years) or calculations as laid down under the Payment of Gratuity Act, 1972. Gratuity is payable on death / retirement / termination and the benefit vests after 5 years of continuous service.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation was carried out as at 31st March 2023.

28.1 contd…

(B) Superannuation Fund :-

(i) Certain eligible employees of the Parent Company who had attained at least 45 years of age as on 01.04.2009 are entitled to Superannuation benefit under the Superannuation scheme (a funded Defined Benefit Plan under a common Trust- 'Tractors India Limited Superannuation Fund Scheme', being administered by the trustees of the said fund for the benefit of employees of the Group). Under the aforesaid benefit scheme the Group makes periodic contribution to the Superannuation Fund Scheme and a predetermined percentage of salary is paid as pension on retirement. The quantum of pension depends on the average basic salary of eligible employee during the last 36 months before retirement. The benefit vests to employees with 12 years of continuous service and attainment of 48 years of age on retirement/death/termination. The most recent actuarial valuation of plan assets and present value of the Defined Benefit Obligation of Superannuation Fund was carried out as on 31st March 2023.

(ii) Employees who did not attain 45 years of age as on 01.04.2009 are under the purview of 'Defined Contribution Scheme' in respect of service rendered from 01.04.2009. The benefit of services rendered by these employees up to 31.03.2009 come under the purview of 'Defined Benefit Scheme' as indicated which is frozen as on 31.03.2009. Hence for this category of employees, the benefit of cessation of service will be :

a) amount accumulated by annual contribution of 15% of Basic Salary and

b) amount frozen as on 31.03.2009

(C) Provident Fund

The Prent Company has two separate Trusts for the administration of the Provident Fund. The Parent Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors.

The details of fund and plan asset position as at 31st March 2023 is given below

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
Present value of Benefit Obligation at period end (Rs. in Lakhs)	**3,787**	4,335
Fair Value of Plan Assets (Rs. In Lakhs)	**3,772**	4,433
Less: Excess of Plan Assets over Defined Benefit Obligation of Trusts (if any) {Rs. In Lakhs}	**36**	98
Net Obligations towards Interest Shortfall (Rs. In Lakhs)	**51**	-
Assumptions used in determining the present value obligation on the interest guarantee under the deterministic approach		
Guaranteed Rate	**8.15%**	8.10%
Average yield rate based on data of investment portfolio	**8.15%**	7.85%
Decrement adjusted average future period of service	**7.5 years**	7 years
Average maturity period of investment portfolio	**2 years**	2 years
Discount Rate	**7.20%**	6.80%

Risk Management

The Defined Benefit Plans expose the Group to risk of actuarial deficit arising out of investment risk, interest rate risk and salary cost inflation risk.

(a) Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government / high quality bond yields; if the return on plan asset is below this rate, it will create a plan deficit.

(b) Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

(c) Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(d) Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation was carried out as at 31st March 2023.

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2023
(All amounts in Rs Lakhs, unless otherwise stated)

28.2 Particulars in Respect of Post Retirement Defined Benefit Plans of the Group are as follows

Description	Superannuation Fund (Funded)		Gratuity Fund (Funded)	
	Year ended 31.03.2023	Year ended 31.03.2022	**Year ended 31.03.2023**	Year ended 31.03.2022
1. Change in the Defined Benefit Obligation				
Present Value of Obligation at the beginning of the year	**434**	436	**831**	724
Current Service Cost	**-**	-	**42**	39
Interest Cost	**21**	21	**53**	46
Actuarial (Gain) / Loss	**35**	51	**51**	48
Benefits Paid	**(205)**	(74)	**(90)**	(26)
Present Value of Obligation at the end of the year	**285**	434	**887**	831
2. Change in Plan Assets				
Fair value of Plan Assets at the beginning of the year	**276**	315	**371**	374
Expected return on Plan Assets	**11**	15	**22**	23
Actuarial Gain / (Loss)	**18**	20	**(44)**	-
Contributions by the Employer	**-**	-	**-**	-
Benefits Paid	**(205)**	(74)	**(90)**	(26)
Fair value of Plan Assets at the end of the year	**100**	276	**259**	371

Basis used to determine the Expected Rate of Return on Plan Assets

The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.

Description	Superannuation Fund (Funded)		Gratuity Fund (Funded)	
	As at 31.03.2023	As at 31.03.2022	**As at 31.03.2023**	As at 31.03.2022
3. Amount recognized in Balance Sheet consists of				
Fair value of Plan Assets at the end of the year	**100**	276	**259**	371
Present Value of Obligation at the end of the year	**285**	434	**887**	831
(Assets) / Liabilities as per the Actuarial Valuation	**185**	158	**628**	460
4. Expenses recognized in the Statement of Profit and Loss consists of -	**Year ended 31.03.2023**	Year ended 31.03.2022	**Year ended 31.03.2023**	Year ended 31.03.2022
Employee Benefits Expenses				
Current Service Cost	**-**	-	**42**	39
Net Interest Cost	**10**	6	**31**	23
Total [A]	**10**	6	**73**	62
Other Comprehensive Income				
Return on Plan Assets (excluding amounts included in net interest cost)	**(18)**	(20)	**44**	(14)
Actuarial (Gain) / Loss from financial assumptions	**(9)**	(20)	**(14)**	-
Actuarial (Gain) / Loss from experience adjustments	**44**	71	**65**	62
Total [B]	**17**	31	**95**	48
Expense recognized during the year [A+B]	**27**	37	**168**	110

The expense for the Defined Benefits (referred to in para 28.2 above) are included in the line item under 'Contribution to Provident and other Funds' .

(All amounts in Rs Lakhs, unless otherwise stated)

28.2 Contd…

Particulars in Respect of Post Retirement Defined Benefit Plans of the Group are as follows

Description	Superannuation Fund % Invested			Gratuity Fund % Invested	
5. Investment Details of Plan Assets as at	**31.03.2023**	31.03.2022		**31.03.2023**	31.03.2022
Government of India Securities	**-**	0.67		**-**	4.55
Public Sector (PSU) Bonds	**35.03**	26.75		**11.43**	9.10
State / Central Government Securities	**-**	23.42		**-**	11.07
Special Deposit Scheme	**55.46**	42.37		**85.92**	68.38
Others including Bank Balance	**9.51**	6.79		**2.65**	6.90
Total	**100.00**	100.00		**100.00**	100.00
6. Assumptions					
Discount rate per annum	**6.30%**	6.30%		**7.20%**	6.80%
Salary escalation rate per annum	**0.00%**	0.00%		**3.00%**	3.00%
Expected rate of return on Plan Assets per annum	**7.61%**	4.95%		**7.03%**	6.27%
Contributions for next year	**184.74**	157.73		**258.04**	200.95
Method used	Projected Unit Credit Method			Projected Unit Credit Method	

28.3 The basis used to determine overall expected rate of return on assets and the effect on major categories of Plan Assets is as follows :

The major portions of the assets are invested in PSU Bonds, State and Central Government Securities. Based on the asset allocation and prevailing yield rates on these asset classes, the long term estimate of the expected rate of return on the fund assets have been arrived at. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching Government Bonds.

28.4 The estimate of future salary increases takes into account inflation, seniority, promotion and other relevant reasons.

28.5 Sensitivity Analysis

The Sensitivity Analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the Defined Benefit Obligation has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.

	Year ended 31.03.2023			Year ended 31.03.2022	
	Superannuation Fund	**Gratuity Fund**		Superannuation Fund	Gratuity Fund
1. Discount Rate + 100 basis points	**278.86**	**852.55**		425.22	791.83
2. Discount Rate - 100 basis points	**291.26**	**924.72**		442.35	874.64
3. Salary Increase Rate + 1%	**284.87**	**925.19**		433.49	875.04
4. Salary Increase Rate – 1%	**284.87**	**851.62**		433.49	790.89

28.6 Maturity Analysis of The Benefit Payments

	Year ended 31.03.2023			Year ended 31.03.2022	
	Superannuation Fund	**Gratuity Fund**		Superannuation Fund	Gratuity Fund
1. Year 1	**128.58**	**258.04**		252.82	200.95
2. Year 2	**20.92**	**146.79**		18.15	131.64
3. Year 3	**42.48**	**88.93**		21.99	39.56
4. Year 4	**1.28**	**37.33**		43.12	88.50
5. Year 5	**27.51**	**93.06**		1.39	36.51
6. Next 5 Years	**112.83**	**427.24**		152.43	504.11

			Year Ended 31.03.2023	Year Ended 31.03.2022
29	**FINANCE COSTS**			
	On Financial Liability at amortized cost			
	Interest Expenses on:			
	Long Term Loans (Refer Note 21.2)		**427**	450
	Cash Credits and Short Term Loans (Refer Note 21.2)		**2,441**	2,725
	Lease		**102**	34
	Others		**538**	154
	Other Borrowing Costs		**116**	257
		Total	**3,624**	3,620

			Year Ended 31.03.2023	Year Ended 31.03.2022
30	**DEPRECIATION AND AMORTIZATION EXPENSE**			
	Depreciation of Property, Plant and Equipment		**803**	887
	Amortization of Right-of use assets		**46**	47
	Amortization of Intangible Assets		**46**	61
		Total	**895**	995

			Year Ended 31.03.2023	Year Ended 31.03.2022
31	**OTHER EXPENSES**			
	Consumption of Consumables		**105**	247
	Power and Fuel		**230**	239
	Rent Expenses		**21**	60
	Repairs and Maintenance			
	Buildings		**26**	55
	Plant and Machinery		**101**	206
	Others		**2**	7
			129	268
	Insurance		**70**	84
	Rates and Taxes		**16**	337
	Bank Charges		**123**	138
	Travelling Expenses		**67**	159
	Printing and Stationery		**8**	24
	Freight and Forwarding Charges		**35**	270
	Postage, Telephone and other Communication Expenses		**27**	44
	Advertising		**3**	8
	Sales Commission		**-**	20
	Professional Fees (Refer Note 31.1)		**748**	432
	Motor Vehicle Expenses		**23**	41
	Bad Debts / Advances / Inventory written off (Net)		**58**	12,060
	Add / (Less) : Provision for Expected Credit Loss		**560**	(6,119)
	Add : Other provisions for Advances / Claims and Others		**162**	94
			780	6,035
	Provision for Detention Charges		**457**	1,277
	Warranty Expenses		**14**	25
	Net Loss on Foreign Currency Transactions and Translation		**127**	77
	Net loss on Fair Valuation of Investments through Profit and Loss (Net)		**-**	1
	Loss on Fair Valuation of Derivatives not designated as Hedging Instruments carried through Profit and Loss		**-**	3
	Loss on Modification / Termination on Lease Assets		**-**	275
	Net Loss on Sale of Property, Plant and Equipment		**4**	-
	Miscellaneous Expenses		**260**	261
		Total	**3,247**	10,325

31.1	Professional Fees include :		
	Payment to Auditors		
	- For Audit	**39**	45
	- For Taxation Matters	**-**	-
	- For Limited Reviews (includes Rs. 5 Lakhs pertaining to erstwhile auditor)	**14**	14 #
	- For Certification and other Fees	**3**	-
	- Expenses Reimbursed	**2**	*

*Amount is below the rounding off norm adopted by the Group.
Includes Rs. 5 lakhs pertaining to erstwhile auditor.

32 EXCEPTIONAL ITEMS	Year Ended 31.03.2023	Year Ended 31.03.2022
Inventory Written Off and including Provision	-	14,409
Trade Receivables Written Off	-	8,347
Advance to Suppliers Written Off	-	1,400
Provision for Advance to Suppliers	-	1,832
Other Liability Written Back	-	(35)
Profit on Sale of Assets held for sale	-	-
TOTAL	-	25,953

Based on the findings of the Management audit report, and also considered by the Board of Directors in its meeting held on 13th September 2022, certain accounting adjustments have been carried out during the year ended 31st March 2022 to rectify those accounting mistakes/ misstatements made in the books of accounts in the previous financial years. The cumulative impact of those rectifications/ adjustments has been shown as an "Exceptional Item" in the Consolidated Statement of Profit & Loss in previous FY. 21-22.

"Exceptional Item" as stated above represents the following accounting adjustments carried out during the year ended March 2022.

A. In earlier years, loans amounting to Rs. 3,276 Lakhs & Rs. 1,200 Lakhs were received from the promoters / promoters group of companies and other lenders respectively which was wrongly credited to Inventories account instead of respective loan accounts. The same has been rectified by reinstating the respective loan accounts and inventory. The amount of inventory as reinstated above has been written off subsequently and shown as the exceptional item. Further certain loans amounting to Rs. 35 lakhs as reinstated above has also been written back and grouped under exceptional item.

B. Based on the findings of the Management audit report, a difference of Rs. 11,109 lakhs have been identified between the Inventory as shown in books of accounts and the inventory appearing in Material module in the ERP system as on 31st March 2022. Such difference comprises Rs. 4,476 lakhs as mentioned in the point no. A above and further difference of Rs. 6,633 Lakhs owing to certain wrong accounting carried out. Hence such balances have been written off to reflect the correct position of Inventory as on the Balance Sheet date.

C. During the previous year, the management has also engaged an external party to physically verify its inventory and also to make a value assessment of inventory lying physically. Based on the findings of the surveyor's report (covering 59% of Inventory lying as on 28th February 2022 for the verification & value assessment), a sum of Rs. 3,299 Lakhs (including Rs. 282 lakhs based on internal assessment) has been written off / provided for and also shown as exceptional item.

D. The Parent Company had raised certain wrong sales invoices in earlier years. Trade receivables amounting to Rs. 14,394 against such invoices as identified by the management auditors and further Rs. 2,980 lakhs as identified by the management have been classified as irrecoverable. Further based on management's internal assessment on the recoverability of other trade receivables, additional balances amounting to Rs. 2,923 Lakhs have also been identified as irrecoverable. Hence a sum of Rs. 8,347 Lakhs (net of Rs 5,830 Lakhs of further provision during the year and utilisation of Rs. 6,119 Lakhs out of provision made in earlier years) have been written off and shown as exceptional item.

E. The Parent Company has been engaged into certain trading activities since financial year 2019-2020 and has been complying with all the requisite rules & regulations including "The Goods & Services Tax Act 2017". During the first quarter ended 30th June 2021, certain bills of exchange were accepted by certain employees without receipt of supplies and the banks later recovered the money from the Parent Company which has been debited to suppliers' accounts and shown as advances. Consequently, such advances to the tune of Rs. 3,232 Lakhs could not be recovered and hence a sum of Rs. 1,400 Lakhs has been written off and balance amount of Rs. 1,832 Lakhs has been provided for as an abundant precaution and shown as exceptional item.

33 The Parent 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. 15,885 lakhs as required under Ind AS-109 and its impact on the Standalone Financial Statements has not been ascertained.

34 During the year, the Parent Company has incurred a cash loss of Rs. 8,314 lakhs (Previous year Rs. 41,699 Lakhs) and its net worth is negative as on the Balance Sheet date. Moreover, the Parent Company's current liabilities also exceed its current assets as at 31st March 2023. In view of the acute financial crisis faced by the Parent Company, lenders have declared the loan facilities granted to the Parent 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').
Consequently, the lead bank, namely Bank Of India, has filed a petition 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. Meanwhile, the Board of Directors approved a resolution plan at its meeting held on 26th November,2022 which has been submitted with all of TIL's Consortium Bankers on 28th November, 2022, which is currently under discussion. Considering these developments, the matter had been adjourned by NCLT from time to time; with the next date of hearing being 19th June 2023.

Though the above situation is indicative of a material uncertainty that may cast doubt on the Parent Company's ability to continue as a going concern, but in view of the proposed strategic investment 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.

35 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. On 7th November 2022, and 10th November 2022, the Parent Company received an Investigation report of DRI dated 20th July 2022 from the GST Authority, together with certain demand intimations based on the Investigation report. These demand intimations were for FY 2019-20 and 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; and reply to such intimations had been filed by the Parent Company on 17th January 2023. Subsequently, on 24th March 2023, Show Cause Notice - DRC-01 for FY 2019-2020 was issued u/s. 74(1) of the CGST/WBGST Act, 2017 to the Parent Company. A personal hearing was held on 06th April 2023, pursuant to which certain clarifications were submitted by the Parent Company on 17th April 2023. Also, a reply to the Show Cause notice was submitted to the GST Authorities on 8th May 2023. On the same day, i.e. 8th May 2023, an Order was issued by the GST authorities for tax, interest, and penalty adding to Rs 958.97 Lakhs for FY 2019-20. The Parent Company is of the view that the demand raised by GST authorities does not have merit, and hence an appeal against this order shall be filed before the prescribed Appellate Authority as per the provisions under Sec 107 of the CGST Act. In view of this, no provision is considered necessary by the management.

36 Trade receivables, Advances to Suppliers, Trade Payable and Advances from customers amounting to Rs. 3,019 lakhs (Previous year Rs. 2,610 lakhs), Rs. 1,050 lakhs (Previous year Rs. 1,008 Lakh), Rs. 12,542 lakhs (Previous year Rs. 9,284 Lakhs), and Rs. 3,494 lakhs (Previous year Rs. 3,873 Lakhs) respectively were outstanding as on 31st March 2023. The Parent Company could not get necessary confirmations from the respective parties due to prevailing situation of the Parent Company.
Further, the Parent Company could not get confirmations for Loans from bodies corporate to the extent of Rs. 897 Lakhs (Previous year Rs. 865 Lakhs) lying outstanding as on 31st March 2023.
However, the Parent Company doesn't foresee any material impact on its Financial Statements due to such non receipt of confirmation.

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2023
(All amounts in Rs Lakhs, unless otherwise stated)

	37.1 Contingent Liabilities in respect of	**As at 31.03.2023**	**As at 31.03.2022**
a.	Sales Tax / Value Added Tax Matters under dispute [Related payments Rs. Nil Lakhs (31.03.2022: Rs. NIL Lakhs)]	**2,192**	2,192
b.	Goods and Services Tax Matters under dispute	**959**	-
c.	Income Tax Matters under dispute [Related payments (including amounts adjusted by the Department) Rs. 307 Lakhs (31.03.2022: Rs. 268 Lakhs)]	**377**	2,109
d.	Service Tax Matters under dispute [Related payments Rs. 26 Lakhs (31.03.2022: Rs. 26 Lakhs)]	**960**	667
e.	Excise Duty Matters under dispute [Related payments Rs. 13 Lakh (31.03.2022: Nil)]	**336**	-
f.	Bank Guarantee Outstanding	**4,759**	5,545

37.2 Capital and Other Commitments	**As at 31.03.2023**	**As at 31.03.2022**
Capital commitments	-	-
Other commitments	-	-

Future cash outflows in respect of the above matters are determinable only on receipts of judgments / decisions pending at various forums / authorities. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and result of operations.

37.3 Pursuant to final order passed by the Single Bench of Hon'ble Calcutta High Court, the Parent Company has stopped paying Entry Tax on procurement of Indigenous and Imported Goods into West Bengal, with effect from 1st June, 2013. The writ petition No. 922 of 2012 filed by the Parent Company has been treated as disposed of in the High Court and the records thereof have been sent to the WB Taxation Tribunal. The Parent Company has filed a petition before the West Bengal Taxation Tribunal. The related unpaid amount till 31st March 2023 is Rs. 632 Lakhs (31.03.2021 : Rs. 632 Lakhs)

38 Information Given in Accordance with the Requirements of Ind AS 108 on Segment Reporting

The operations of the Group pertains only to Material Handling Solutions (i.e. manufacturing and marketing 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 Group's principal geographical area of operations is within India. Accordingly, the Group has only one reportable segment as envisaged in Ind AS 108 on 'Segment Reporting' and information pertaining to segment is not applicable for the Group.

38.1 Geographical Information

	Year Ended 31.03.2023	**Year Ended 31.03.2022**
1. Revenue from External Customers		
- India	**4,381**	**6,024**
- Outside India	**1**	**492**
Total	**4,382**	**6,516**

	As at 31.03.2023	**As at 31.03.2022**
2. Non-Current Assets *		
- India	**11,360**	**12,407**
- Outside India	**-**	**-**
Total	**11,360**	**12,407**

* Excludes Financial Instruments, Deferred Tax Assets.

During the year, the Group has four customers (Previous year two customers), where transaction with the single customers exceed 10% of the total revenue amounting to Rs. 3,082 Lakhs (Previous year Rs. 2,765 Lakhs).

(All amounts in Rs Lakhs, unless otherwise stated)

39 Capital Management

The Group aims at maintaining a strong capital base maximizing Shareholders' wealth safeguarding business continuity and augments its internal generations with a judicious use of borrowing facilities to fund spikes in working capital that arise from time to time as well as requirements to finance business growth.

The Group determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through cash generated from operations, long term and short term borrowings from banks and financial institutions. On requirement, the Group also borrows from related and other parties to meet its financial needs.

However in view of certain adverse factors and challenges being faced by the Parent Company over past few years as explained in Note 34, the net worth of the Parent Company is eroded.

The capital structure of the Group consists of net debt (borrowings as detailed in Note 17 offset by cash and cash equivalents in Note 14-A and other bank balances in Note 14-B and deposits with banks including earmarked balances in Note 9A) and total equity of the Group.

Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances (including non-current earmarked balances).

The table below summarises the capital, net debt and net debt to equity ratio of the Group.

	As at 31.03.2023	As at 31.03.2022
Equity Share Capital	**1,003**	1,003
Other Equity	**(30,239)**	(21,101)
Total Equity (A)	**(29,236)**	(20,098)
Non Current Borrowings	**15,159**	17,760
Short Term Borrowings	**24,859**	22,089
Gross Debts (B)	**40,018**	39,849
Total Capital (A+B)	**10,782**	19,751
Gross Debt as above	**40,018**	39,849
Less: Current investment	**67**	98
Less: Cash and Cash Equivalents	**132**	97
Less: Other Balances with Bank (including non-current fixed deposits including earmarked balances)	**119**	882
Net Debt (C)	**39,700**	38,772
Net Debt to Equity *	**(1.61)**	26.81

* Net debt to equity as at 31.03.2023 and 31.03.2022 has been computed based on average total equity.

40 Financial Instruments and Related Disclosures

This section gives an overview of the significance of Financial Instruments for the Group and provides additional information on Balance Sheet items that contain Financial Instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized in respect of each class of Financial Asset, Financial Liability and Equity Instrument are disclosed in Note 2.12 to the Consolidated Financial Statements.

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2023
(All amounts in Rs Lakhs, unless otherwise stated)

A) Categories of Financial Instruments

Set out below, is a comparison by class of the carrying amounts and Fair Value of the Group's Financial Instruments:

Particulars	As at 31.03.2023		As at 31.03.2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<u>Financial Assets</u>				
a) Measured at Amortized Cost				
i) Cash and Cash Equivalents	**132**	**132**	97	97
ii) Other Bank Balances	**8**	**8**	364	364
iii) Trade Receivables	**3,019**	**3,019**	2,610	2,610
iv) Other Financial Assets	**422**	**422**	848	848
Sub-total	**3,581**	**3,581**	**3,919**	**3,919**
b) Measured at Fair Value through Profit or Loss				
i) Investment in Equity Shares	**10**	**10**	8	8
ii) Investment in Mutual Fund	**57**	**57**	90	90
Sub-total	**67**	**67**	98	98
Total Financial Assets	**3,648**	**3,648**	**4,017**	**4,017**
<u>Financial Liabilities</u>				
a) Measured at Amortized Cost				
i) Borrowings	**40,018**	**40,018**	39,849	39,849
ii) Trade Payables	**12,557**	**12,557**	9,304	9,304
iii) Lease Liabilities	**1,051**	**1,051**	986	986
iv) Other Financial Liabilities	**2,512**	**2,512**	431	431
Total Financial Liabilities	**56,138**	**56,138**	**50,570**	**50,570**

The management assessed that cash and cash equivalents, other bank balances, trade receivables, trade payables, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short term maturities of these instruments. Lease liabilities have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows.

B) Financial Risk Management Objectives

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group continues to focus on a system-based approach to business risk management. The Group's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management System rests on policies and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

(All amounts in Rs Lakhs, unless otherwise stated)

a) Market Risk

The Group's Financial Instruments are exposed to market changes. The Group is exposed to the following significant market risk:

- Foreign Currency Risk
- Interest Rate Risk
- Other Price Risk

Market Risk Exposures are measured using sensitivity analysis. There has been no change to the Group's exposure to market risks or the manner in which these risks are being managed and measured.

Fair Value Hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, and includes derivative contracts.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Particulars	As at 31.03.2023			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in Equity Shares	**10**	**-**	**-**	**10**
Investment in Mutual Funds	**57**	**-**	**-**	**57**
	67	**-**	**-**	**67**

Particulars	As at 31.03.2022			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in Equity Shares	8	-	-	8
Investment in Mutual Funds	90	-	-	90
	98	**-**	**-**	**98**

Foreign Currency Risk

The Group undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and reinstatement risks arising from recognized assets and liabilities, including the Parent Company's net investments in foreign operations (with a functional currency other than Indian Rupee) which are not in the Parent Company's functional currency (Indian Rupees). A significant portion of these transactions are in US Dollar, Euro, etc. Each entity comprising the Group manages its own currency risk. The carrying amount of foreign currency denominated financial assets and liabilities including derivative contracts, are as follows

(All amounts in Rs Lakhs, unless otherwise stated)

As at 31.03.2023	USD	Euro	Others#	Total
Financial Assets	**6**	**350**	**-**	**356**
Financial Liabilities	**615**	**1,271**	**37**	**1,923**
As at 31.03.2022	**USD**	**Euro**	**Others#**	**Total**
Financial Assets	6	329	-	335
Financial Liabilities	560	1,284	37	1,881

Others primarily include GBP-Great Britain Pound, SGD-Singapore Dollar and SEK-Swedish Krona

Derivatives not Designated as Hedging Instruments

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions.

The Group enters into foreign exchange forward contracts with the intention to reduce the foreign exchange risk of expected sales and purchases, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

However, during the current and previous year, the Group has not entered into any forward contracts due to the current financial position of the Group.

Un-hedged Foreign Currency balances:	**Currency**	**As at 31.03.2023**	As at 31.03.2022
(i) Financial Liabilities:	USD	**615**	560
	EUR	**1,271**	1,284
	Others#	**37**	37
(ii) Financial Assets	USD	**6**	6
	EUR	**350**	329

Others primarily include GBP-Great Britain Pound, SGD-Singapore Dollar and SEK-Swedish Krona

Foreign Currency Sensitivity

Foreign Currency Sensitivities for unhedged exposure (impact on increase in 2%)

	As at 31.03.2023	As at 31.03.2022
USD	(12)	(11)
EUR	(18)	(19)
Others#	(1)	(1)

Others primarily include GBP-Great Britain Pound, SGD-Singapore Dollar and SEK-Swedish Krona

Note: If the rate is decreased by 2%, profit of the Group will increase by an equal amount.
Figures in brackets indicate decrease in profit.

Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The objectives of the Group's interest rate risk management processes are to lessen the impact of adverse interest rate movements on its earnings and cash flows and to minimise counter party risks. All the borrowings availed by the Group have a fixed interest rate throughout the respective financial year. Further, the Group operates with banks having superior credit rating in the market.

Interest Rate Sensitivities for Outstanding Exposure

	As at 31.03.2023	As at 31.03.2022
INR	*	*

* The Group's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates. Further, all lenders have declared loan facilities granted to the Parent Company as NPA and are not charging interest, hence, interest rate risk does not arise.

Price Risk

Equity price risk is related to change in market reference price of investments in equity securities, bonds and mutual funds held by the Group. The fair value of quoted investments held by the Group exposes the Group to market price risks. In general, these investments are not held for trading purposes. The fair value of quoted investments in equity, bonds and mutual funds are classified as fair value through Profit & Loss as at 31 March 2023 is Rs. 67 Lakhs (31.03.2022 : Rs. 98 Lakhs)

b) Liquidity Risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting its obligations. The Group mitigates its liquidity risks by ensuring timely collections of its trade receivables, close monitoring of its credit cycle and ensuring optimal movements of its inventories. The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

		As at 31.03.2023		As at 31.03.2022	
		Current	**Non-Current**	Current	Non-Current
A.	**Financial Assets**				
	i) Cash and Cash Equivalents	**132**	**-**	97	-
	ii) Other Bank Balances	**8**	**-**	364	-
	iii) Trade Receivables	**3,019**	**-**	2,610	-
	iv) Other Financial Assets	**274**	**148**	266	582
	v) Investment in Equity Shares	**10**	**-**	8	-
	vi) Investment in Mutual Funds	**57**	**-**	90	-
	Total	**3,500**	**148**	3,435	582
B.	**Financial Liabilities**				
	i) Borrowings (Refer Note 17.3)	**24,859**	**15,159**	22,089	17,760
	ii) Trade Payables	**12,557**	**-**	9,304	-
	iii) Other Financial Liabilities	**2,512**	**-**	431	-
	Total	**39,928**	**15,159**	31,824	17,760

The management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.
The maturity analysis of undiscounted lease liabilities are disclosed under Note 5.3.

c) Credit Risk

Credit risk is the risk that counter party will not meet its obligations leading to a financial loss. The Group has its policies to limit its exposure to credit risk arising from outstanding receivables. Management regularly assess the credit quality of its customers, on the basis which the terms of payment are decided. Credit limits are set for each customer which are reviewed at periodic intervals.

For trade receivables, as a practical expedient, the Group computes credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. The provision matrix at the end of the reporting period is given below

	As at 31.03.2023	As at 31.03.2022
Opening Balance	1,047	7,166
Add: Provisions made	560	5,831
Less: Utilization made for impairment / derecognition	-	(11,950)
Closing Balance	**1,607**	1,047

(All amounts in Rs Lakhs, unless otherwise stated)

41 Related Party Disclosures

I) List of Related Parties

Key Management Personnel	Mr. Sumit Mazumder (Chairman & Managing Director) Mrs. Bipasha Banerjea (Chief Financial Officer) Mr. Ratanlal Gaggar (Independent Director) * Mr. Gaurav Swarup (Independent Director) ** Mrs. Manju Mazumder (Non Executive Director) Mr. Deb Kumar Banerjee (Nominee of LIC) *** Dr. T. Mukherjee (Independent Director) # Ms. Veena Hingarh (Independent Director) # Mr. Sekhar Bhattacharjee (Company Secretary) Mr. Rajiv Kumar Soni (Chief Executive Officer) ## Mr. Shibaditya Ghosh (Chief Financial Officer) ### Mr. Subir Bhattacharyya (Independent Director, w.e.f 13th September 2022) Mr. Tulsi Das Banerjee (Independent Director, w.e.f 13th September 2022)
	* Resigned on 31st May 2022 and noted by the Board on 13th September 2022 ** Resigned on 29th August 2022 and noted by the Board on 13th September 2022 *** Resigned on 31st July 2022 and noted by the Board on 13th September 2022 # Resigned on 10th February, 2022 ## Resigned since 9th November 2021. ### Resigned since 31st May 2021.
Enterprises over which Key Management Personnel are able to exercise significant influence	TIL Welfare Trust Gokul Leasing and Finance Private Limited Arihant Merchants Limited Mahan Eximp Limited Supriya Leasing Limited Sunrise Proteins Ltd. Nachiketa Investments Company Salgurn Merchants Pvt. Ltd. B. P. Commodities Pvt. Ltd. Marbellous Trading Pvt. Ltd.

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2023
(All amounts in Rs Lakhs, unless otherwise stated)

II) Particulars of Transactions during the year ended 31st March 2023.

Particulars	Key Managerial Person	KMP have Significant Influence	Total	Outstanding as on 31-03-2023
a) Loans and Advance from Key Management Personnel / Associated Company / Others (Net of Repayment)				
Mr. Sumit Mazumder (Closing balance is adjusted for write back of Rs. 50 Lakh)	106	-	106	12,411
Gokul Leasing and Finance Private Limited	-	-	-	1,953
Arihant Merchants Limited	-	-	-	83
Mahan Exim Limited	-	-	-	127
Supriya Leasing Limited	-	-	-	90
Sunrise Proteins Ltd.	-	-	-	50
Nachiketa Investments Company	-	-	-	35
Salgurn Merchants Pvt. Ltd.	-	-	-	50
B. P. Commodities Pvt. Ltd.	-	-	-	10
Marbellous Trading Pvt. Ltd.	-	-	-	14
TIL Welfare Trust	-	-	-	1,066
Total	**106**	**-**	**106**	**15,889**
b) Managerial Remuneration to Key Management Personnel				
(i) Short term benefit				
Sumit Mazumder	240	-	240	132
Bipasha Banerjea	72	-	72	60
Sekhar Bhattacharjee	-	-	-	28
Shibaditya Ghosh	-	-	-	3
(ii) Post Employment Benefits				
Sumit Mazumder	3	-	3	104
Bipasha Banerjea	1	-	1	5
Sekhar Bhattacharjee	-	-	-	2
(iii) Other Long Term Benefits				
Sumit Mazumder	5	-	5	123
Bipasha Banerjea	*	-	*	6
Sekhar Bhattacharjee	-	-	-	-
Total	**321**	**-**	**321**	**463**
c) Liabilities Written Back				
Mr. Sumit Mazumder	50		50	-
Total	**50**	**-**	**50**	**-**
(d) Retainer Fees				
Sekhar Bhattacharjee	53	-	53	47
Total	**53**	**-**	**53**	**47**

*Amount is below the rounding off norm adopted by the Group.

Details of Related Parties as on 31st March 2022

Particulars	Key Managerial Person	KMP have Significant Influence	Total	Outstanding as on 31-03-2022
a) Loans and advance from Key Management Personnel / Associated Company / Others (Net of Repayment)				
Mr. Sumit Mazumder (Refer Note 32 A)	5,231	-	5,231	12,355
Gokul Leasing and Finance Private Limited	-	1,036	1,036	1,953
Arihant Merchants Limited	-	83	83	83
Mahan Exim Limited	-	127	127	127
Supriya Leasing Limited	-	90	90	90
Sunrise Proteins Ltd.	-	50	50	50
Nachiketa Investments Company	-	35	35	35
Salgurn Merchants Pvt. Ltd.	-	50	50	50
B. P. Commodities Pvt. Ltd.	-	10	10	10
Marbellous Trading Pvt. Ltd.	-	14	14	14
TIL Welfare Trust	-	1,066	1,066	1,066
Total	**5,231**	**2,561**	**7,792**	**15,833**
b) Managerial Remuneration to Key Management Personnel				
(i) Short Term Benefit				
Sumit Mazumder	217	-	217	61
Bipasha Banerjea	45	-	45	26
Sekhar Bhattacharjee	51	-	51	27
Shibaditya Ghosh	9	-	9	3
(ii) Post Employment Benefits				
Sumit Mazumder	5	-	5	101
Bipasha Banerjea	1	-	1	4
Sekhar Bhattacharjee	3	-	3	12
Shibaditya Ghosh	*	-	*	-
(iii) Other Long Term Benefits				
Sumit Mazumder	9	-	9	118
Bipasha Banerjea	3	-	3	6
Sekhar Bhattacharjee	1	-	1	8
Shibaditya Ghosh	-	-	-	-
Total	**344**	**-**	**344**	**366**

*Amount is below the rounding off norm adopted by the Group.

III) Terms and Conditions of Transactions with Related Parties

a) The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.

b) The amounts outstanding are unsecured and will be settled in cash and cash equivalent. No guarantees have been given or received.

c) The remuneration of Directors is determined by the Nominations & Remuneration Committee having regard to the performance of individuals and market trends.

IV) In respect of the above parties, there is no provision for impairment / doubtful debts as on 31st March 2023 and no amount has been written off or written back during the year in respect of debt due from / to them except as disclosed above.

V) The above related party information is as identified by the management.

42 Additional Disclosures Relating to the Requirement of Revised Schedule III

42.1 Loans or Advances (repayable on demand or without specifying any terms or period of repayment) to Specified Persons
During the year ended 31st March 2023 the Group did not provide any loans or advances which remains outstanding (repayable on demand or without specifying any terms or period of repayment) to specified persons (Nil as on 31st March 2022).

42.2 Relationship with Struck off Companies
The Group did not have any transaction with companies struck off during the year ended 31st March 2023 and 31st March 2022.

42.3 Details of Crypto Currency or Virtual Currency
The Group has not traded or invested in Crypto Currency or Virtual Currency during the year ended 31st March 2023 and 31st March 2022.

42.4 Utilization of Borrowed Fund & Share Premium
The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

The Group has not advanced or lent or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

42.5 The quarterly returns or statements of current assets filed by the Parent Company with the banks are in agreement with the books of accounts, except are as

Quarter	Name of the Bank	Particulars	Amount as per books of account (In lakhs)	Amount reported in quarterly return/statement (In lakhs)	Difference (Rs in lakhs)	Reason for material discrepancy
June'21	All Consortium Banks	Inventories	23,031	27,014	(3,983)	The difference are on account of numbers reported to the banks on the provisional quarterly accounts.
		Trade Receivables	24,688	24,645	43	
September'21	All Consortium Banks	Inventories	26,001	26,937	(936)	
		Trade Receivables	21,935	21,745	190	
December'21	All Consortium Banks	Inventories	26,269	26,222	47	
		Trade Receivables	20,827	20,229	598	
March'22	All Consortium Banks	Inventories	16,457	15,953	504	
		Trade Receivables	3,654	4,105	(451)	
June'22	All Consortium Banks	Inventories	15,053	15,750	(697)	
		Trade Receivables	4,003	4,309	(306)	
September'22	All Consortium Banks	Inventories	15,379	15,379	-	
		Trade Receivables	3,711	3,731	(20)	
December'22	All Consortium Banks	Inventories	14,920	14,921	(1)	
		Trade Receivables	4,029	4,023	6	
March'23	All Consortium Banks	Inventories	14,097	14,405	(308)	
		Trade Receivables	4,626	4,617	9	

42.6 The Group has not been declared as a wilful defaulter by any Banks or Financial Institutions or any other Lender.

42.7 The Group has used the borrowings from Banks and Financial Institutions for the specific purpose for which it was obtained.

42.8 There are no registration / satisfaction of charges pending with registrar of companies beyond the statutory period as on the balance sheet date, except as follows:

Sr. No.	Charge ID	Name of Charge Holder	Date of Creation	Date of Satisfaction	Amount (in lakhs)
1	100407926	Bank of India	25-01-2021	-	818
2	100350315	State Bank of India	06-07-2020	-	300
3	100225971	Union Bank of India	19-12-2018	-	250
4	80009601	Indian Overseas Bank	07-02-2005	-	2,100

Further in many cases fresh charges were created in the past by the various banks wherever the existing working capital limits were enhanced, however in those cases previous charges were not satisfied. The Group is of the opinion that filing of non- satisfaction in those cases is not a non-compliance.

43

Name of the entity	Net Assets		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As a % of Net Asset	Amount (Rs. in Lakh)	As a % of Profit or Loss	Amount (Rs. in Lakh)	As a % of OCL	Amount (Rs. in Lakh)	As a % of TCI	Amount (Rs. in Lakh)
Parent:								
TIL Limited								
31.03.2023	**99%**	**(28,979)**	**94%**	**(8,600)**	**203%**	**(73)**	**95%**	**(8,673)**
31.03.2022	101%	(20,306)	97%	(41,648)	-176%	(51)	97%	(41,699)
Subsidiary:								
TIL Overseas Pte. Ltd.								
31.03.2023	**0%**	**74**	**5%**	**(500)**	**-103%**	**37**	**5%**	**(463)**
31.03.2022	-3%	537	0%	15	276%	80	0%	95
Consolidation adjustment								
31.03.2023	**1%**	**(331)**	**0%**	**(2)**	**0%**	**-**	**0%**	**(2)**
31.03.2022	2%	(329)	3%	(1,484)	0%	-	3%	(1,484)
Total								
31.03.2023	**100%**	**(29,236)**	**100%**	**(9,102)**	**100%**	**(36)**	**100%**	**(9,138)**
31.03.2022	100%	(20,098)	100%	(43,117)	100%	29	100%	(43,088)

44 Earnings Per Share (EPS) - The Numerators and Denominators Used to Calculate Basic and Diluted EPS

			Year Ended 31.03.2023	Year Ended 31.03.2022
	Profit / (Loss) after Tax attributable to the Equity Shareholders (Rs. in Lakhs)	**A**	**(9,102)**	(43,117)
	Basic and Diluted			
i.	Number of Equity Shares at the beginning of the year		**1,00,30,265**	1,00,30,265
ii.	Number of Equity Shares issued during the year		**-**	-
iii.	Number of Equity Shares at the end of the year		**1,00,30,265**	1,00,30,265
iv.	Weighted average number of Equity Shares outstanding during the year	**B**	**1,00,30,265**	1,00,30,265
v.	Nominal Value of each Equity Share (Rs.)		**10**	10
	Basic and Diluted Earnings Per Share (Rs.)	**A/B**	**(90.75)**	(429.87)

45 In its Extraordinary General Meeting convened on 23rd December, 2022, the Parent Company has received Shareholders' Approval for the proposed 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 favor 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; and which is subject to approvals from appropriate authorities and lending institutions. Accordingly, the Stock Exchanges have also been informed under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

46 The Central Government has published The Code on Social Security, 2020 and Industrial Relations Code, 2020 ("the Codes") in the Gazette of India, inter alia, subsuming various existing labour and industrial laws which deals with employees related benefits including post - employment. The effective date of the code and the rules are yet to be notified. The impact of the legislative changes, if any, will be assessed and recognized post notification of the relevant provisions.

47 The Consolidated Financial Statements were approved by the Board of Directors on 26th May 2023.

48 The previous year's figures have been regrouped / reclassified wherever necessary to confirm with current period's classification.

Signatures to Notes '1' to '48'

In terms of our report of even date attached

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

For and on behalf of the Board of Directors of
TIL Limited

Giridhari Lal Choudhary
Partner
Membership No. 052112

Sumit Mazumder
Chairman & Managing Director
(DIN:00116654)

Kolkata
26th May 2023

Bipasha Banerjea
Chief Financial Officer

Sekhar Bhattacharjee
Company Secretary

Singhi & Co.
Chartered Accountants

161, Sarat Bose Road
Kolkata-700 026, (India)
T+91(0)33-2419 6000/01/02
E kolkata@singhico.com
www.singhico.com

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TIL LIMITED

Report on the Audit of the Consolidated Financial Statements

Disclaimer of Opinion

We were engaged to audit the accompanying consolidated financial statements of TIL Limited ("the Parent Company") and its subsidiary (the Parent Company and its subsidiary together referred to as the 'Group'), comprising the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity for the year then ended and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Financial Statements).

We do not express an opinion on the accompanying Consolidated Financial Statements. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these Consolidated Financial Statements.

Basis for Disclaimer of Opinion

1. We draw attention to Note 32 of the accompanying Consolidated Financial Statements, regarding the following accounting adjustments, as detailed in the said note, carried out during the quarter/year ended March 31, 2022 by the Parent Company to rectify accounting mistakes/ misstatements made in the books of accounts in the previous financial years, based on the findings of the Management audit report as stated in the said note and its consideration by the Board of Directors in its meeting held on September 13, 2022.

   (a) Loans amounting to Rs. 3276 Lakhs & Rs. 1200 Lakhs were received from the promoters/ promoter's group of companies and other lenders respectively in earlier years which were wrongly credited to Inventories account instead of respective loans account. The same has been rectified by the management by reinstating the respective loan accounts and inventory. The amount of inventory as reinstated has been written off and shown as exceptional item. We were unable to obtain sufficient appropriate audit evidence with respect to above adjustment for accounting mistakes/ misstatements occurred in earlier years.

   (b) Based on the findings of the Management audit report, a difference of Rs. 11109 lakhs have been identified by the Management between the Inventory as shown in the books of accounts and the inventory appearing in Material module in the ERP system as on 31st March 2022. Such difference comprises of Rs. 4476 lakhs as mentioned in point no.(a) above and further difference of Rs. 6633 Lakhs owing to certain wrong accounting carried out. The above differences have been written off during the quarter/year end to reflect the correct position of Inventory as on the Balance Sheet date. We were unable to obtain sufficient appropriate audit evidence with respect to the reasons for above differences as on the Balance Sheet date.

SINGHI & CO. Chartered Accountants

(c) During the year, the management had engaged an external party to physically verify its inventory and also to make a value assessment of inventory lying physically. Based on the findings of the surveyor's report (covering 59% of Inventory lying as on 28th February 2022 for the verification & value assessment), a sum of Rs. 3299 lakhs (including Rs. 282 lakhs based on internal assessment of the management) has been written off/ provided for and also shown as exceptional item. However, the above physical verification was not observed by us and we have relied solely on the surveyor's report. Further, the management do not expect any further shortages or obsolescence in the balance 41% inventory not covered in the surveyor's report and hence, in the opinion of the management, no further provision is considered necessary. However, as no physical verification of inventory and its value assessment was done by the management to the extent as mentioned above, we are unable to determine whether any further adjustment is required in this regard.

(d) Trade receivables amounting to Rs. 14394 lakhs against invoices raised in earlier years as identified by the management auditors were without adequate supporting and further Rs. 2980 lakhs as identified by the management have been considered as irrecoverable. Further, based on management's internal assessment on the recoverability of other trade receivables, additional balances amounting to Rs. 2923 Lakhs have also been identified as irrecoverable. Hence a sum of Rs. 8348 Lakhs (net of Rs. 5830 lakhs of further provision during the year and utilisation of Rs. 6119 Lakhs out of provisions made in earlier years) have been written off and shown as exceptional item. The above adjustments have been made by the management solely on the basis of Management Audit Report and management internal estimates and we have not been provided sufficient appropriate audit evidence.

(e) During the first quarter ended 30th June 2021, certain bills of exchange were accepted by certain employees of the Parent Company without receipt of supplies and the banks later recovered the money from the Parent Company which has been debited to suppliers accounts and shown as advances. Consequently, such advances to the tune of Rs. 3232 Lakhs could not be recovered and hence a sum of Rs. 1400 lakhs have been written off and balance amount of Rs. 1832 lakhs has been provided and shown as exceptional item. The reasons for bifurcation between the amount of write-off and provisions as stated above, is solely based on management estimates. The Parent Company has sent several notices for the recovery of such payments and is in the process of initiating legal course of action. Further, an enquiry by "Directorate of Revenue Intelligence & Enforcement" (DRI) has also been ongoing since June 2021 in respect to sales/purchase transactions entered into by the Parent Company with these vendors and the matter is pending with DRI. In the opinion of the management, the Parent Company does not foresee any additional liability in this regard. Pending outcome of the above enquiry, we are unable to determine potential impact of any unforeseen liabilities towards above and its consequential impact on the Consolidated Financial Statements.

2. We draw attention to note 33 of the Consolidated Financial Statements, which states that the Parent Company has not restated the standalone financial statements of the previous years in which the accounting mistakes/misstatements occurred, as per the requirements of Indian Accounting Standard -8, "Accounting Policies, Changes in Accounting Estimates and Errors" and made accounting adjustments for accounting mistakes/misstatements as mentioned in the paragraph 1 above in the current financial year ended 31st March 2022. Further, as explained to us, the Parent Company has not approached "National Company Law Appellate Tribunal" (NCLT) as per the provisions of section 130 & 131 of the Companies Act 2013, which requires prior approval of NCLT for recasting of earlier period financial statements.

SINGHI & CO. * Chartered Accountants *

Further, as stated in note 1 above, the adjustments to rectify the accounting mistakes/ misstatements have been made by the management solely based on the management audit report. As these accounting mistakes/ misstatements are pertaining to earlier years as mentioned in the management audit report, we have been unable to carry out any additional procedures to ensure the completeness of the same and are unable to comment on the opening balances brought forward in the current financial year in the books of account.

3. As mentioned in note no. 36 of the Consolidated Financial Statement, Trade receivables, Advances to Suppliers, Trade Payable and Advances from customers amounting to Rs. 2610 lakhs, Rs. 1008 lakhs, Rs.9284 lakhs and Rs.3873 lakhs respectively were outstanding as on the Balance Sheet date. The Parent 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 Parent Company could not get confirmations for Bank Guarantees and Letter of credit issued by Banks to extent of Rs. 2197 lakhs and Rs.154 Lakhs respectively and also confirmations for Loans from bodies corporate to extent of Rs.265 Lakhs.
   Hence, we are unable to comment on the correctness of above figures and adjustments, if any, are required to the said balances as on March 31, 2022 and related disclosures in these Consolidated Financial Statements.

4. We draw attention to note 10.1 of the Consolidated Financial Statements, regarding carry forward of MAT Credit of Rs.3026 lakhs as on March 31,2022 (a component of deferred tax asset in the financial statement) which has been accounted for in earlier years and in the opinion of the management, sufficient future taxable profit will be available against which these unused tax credit can be utilised within the stipulated period. However, we are unable to comment for utilisation of said MAT credit in absence of basis for reasonable certainty supported by convincing evidence.

5. We draw attention to note no. 35 of the Consolidated Financial Statements, where the Parent 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.15829 lakhs as required under Ind AS-109 and its impact on financial statements 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 Statements.

6. We draw attention to note 12.5 of the Consolidated Financial Statements regarding materials valuing Rs. 3787 lakhs lying in Bonded Warehouse/ port as on March 31, 2022 which includes Rs. 2433 lakhs imported in earlier years and disclosed as Stock in transit in the Financial Statements which were not released from customs authorities due to non payment of custom duty, other charges etc. The Parent Company has obtained confirmation from its logistics partner regarding the existence of the inventory as at the balance sheet date and 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 determine whether any provision for obsolescence are required in this regard.

SINGHI & CO.
Chartered Accountants

7. **Going Concern Assessment**

We draw attention to note 34 in the consolidated financial statements which states that during the year, the Parent Company has incurred a loss of Rs. 43088 lakhs (including adjustments as stated above) and its net worth has become negative as on the Balance Sheet date. Further, the Parent Company's current liabilities exceeded its current assets by Rs. 17835 lakhs as at the balance sheet date. The Parent Company's lenders have declared the loan facilities granted to the Parent Company as Non Performing Asset (NPA) and the Parent Company has also received advance notice for application under the Insolvency and Bankruptcy Code 2016 from one of the lender on August 12, 2022. The above situation indicates that a material uncertainty exists that may cast significant doubt on the Parent Company's ability to continue as a going concern. In view of above, we are unable to obtain sufficient appropriate audit evidence as to whether the Parent Company will be able to service its debts, realize its assets and discharge its liabilities as and when they become due over the period of next 12 months. Accordingly, we are unable to comment on whether the Parent Company will be able to continue as Going Concern.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group 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 Consolidated 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. However, because of the above matters described in the Basis of Disclaimer of Opinion paragraph, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these Consolidated Financial Statements.

Key Audit Matters

In view of disclaimer of opinion given by us on the Consolidated Financial Statements, reporting of Key Audit Matters as required under Standard on Auditing (SA) – 701 "Communicating key audit matters in the Independent Auditor's Report" has not been included, in accordance with SA 705 on "Modification to the opinion in the Independent Auditor's Report".

Other Information

The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

SINGHI & CO.
Chartered Accountants

Responsibilities of Management for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the Companies included in the Group, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial statements 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 consolidated annual financial statements. However, because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial statements , whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

SINGHI & CO. Chartered Accountants

- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial statements /financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated annual financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

(i) The consolidated financial statements includes the audited financial statements and the other financial information, in respect of the subsidiary whose financial statements include total assets of Rs. 564 lakhs as at 31st March, 2022, total revenues of Rs. 125 lakhs, total net profit after tax of Rs. 15 lakhs, total comprehensive income of Rs. 95 lakhs for the year ended 31st March, 2022 and net cash flows of Rs. 54 lakhs for the year ended 31st March, 2022 as considered in the consolidated financial statement which have been audited by other auditor.

(ii) The independent auditors report on the financial statements of above-mentioned subsidiary have been furnished to us by the management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in the respect of the subsidiary is based solely on the reports of such auditors.

SINGHI & CO. Chartered Accountants

(iii) Subsidiary mentioned in sub-paragraph (i) above is located outside India whose annual financial statements have been prepared in accordance with accounting principles generally accepted in their country and which have been audited by other auditors under generally accepted auditing standards applicable in their country. The Parent Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India and also given additional disclosures required on account of amendments in Schedule III of the Act effective from April 01, 2021. We have reviewed these conversion adjustments and additional disclosures made by the Parent Company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments & additional disclosures prepared by the management of the Parent company and reviewed by us.

(iv) The consolidated financial statements of the Group for the year ended 31 March 2021, included in these consolidated financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those consolidated financial statements on May 31,2021.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. With respect to the matter specified in clause (xxi) of paragraph 3 & paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("the Order" / "CARO") issued by the Central Government of India in terms of Section 143(11) of the Act, according to the information and explanation given to us and based on our examination, we report that there are no companies other than the Parent company, included in the consolidated financial statements which are the companies incorporated in India and hence the reporting under CARO is not applicable to them.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit, except to the extent described in the Basis for Disclaimer of Opinion paragraph where we were unable to obtain such information;

   (b) Proper books of account as required by law relating to Consolidated Financial Statements have been kept by the Group so far as it appears from our examination of those books except to the extent stated in the Basis for Disclaimer of Opinion paragraph;

   (c) Read with the matters described in the Basis for Disclaimer of Opinion paragraph, the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) The matters described in the Basis for Disclaimer of Opinion paragraph including Going Concern Assessment as stated above, in our opinion, may have adverse effect on the functioning of the Parent Company;

   (f) On the basis of the written representations received from the directors of the Parent Company as on March 31, 2022 taken on record by the Board of Directors of the Parent Company, none of the directors of the Parent Company is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   (g) The reservations relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Disclaimer of Opinion paragraph;

SINGHI & CO. Chartered Accountants

(h) With respect to the adequacy of the internal financial controls with reference to these consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report. Our report expresses a disclaimer of opinion on the Parent Company's internal financial controls with reference to these consolidated financial statements for the reasons stated therein;

(i) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Parent Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer Note 37.1 and 37.3 to the consolidated financial statements;

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company.

iv. (a) The management of the Parent Company has represented that, to the best of its knowledge and belief, as disclosed in the note 42.4 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 42.4 to the consolidated financial statements, no funds have been received by the Parent Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above contains any material misstatement.

v. No Dividend has been declared or paid during the year by the Parent company.

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

SINGHI & CO. Chartered Accountants

(Rajiv Singhi)
Partner
Membership No. 053518
UDIN: 22053518ATENAI9083

Place: Kolkata
Date: September 19, 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF TIL LIMTED

(Referred to in paragraph (h) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We were engaged to audit the internal financial controls with reference to the consolidated financial statements of TIL Limited ("the Parent Company") as of March 31, 2022, in conjunction with our audit of the consolidated financial statements of the Parent Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent Company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the Parent Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Parent Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Because of the matters described in the Basis for Disclaimer of Opinion in the main audit report we were not able to obtain sufficient appropriate audit evidence to provide a basis for our opinion on whether the Parent Company had adequate internal financial controls over financial reporting with reference to these Consolidated financial statements as at March 31, 2022 and whether such internal financial controls were operating effectively.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to the consolidated financial statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to the consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Basis for Disclaimer of Opinion

Due to the matters described in the Basis for Disclaimer of Opinion paragraph in our main audit report, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion on whether the Parent Company had adequate internal financial controls with reference to consolidated statements as at March 31, 2022 and whether such internal financial controls were operating effectively.

SINGHI & CO. Chartered Accountants

Disclaimer of Opinion

As described in the Basis for Disclaimer of Opinion paragraph above, because of the significance of the matters, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion on whether the Parent Company had adequate internal financial controls with reference to consolidated financial statements and whether such internal financial controls were operating effectively as at March 31, 2022 based on the internal control over financial reporting criteria established by the Parent Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the consolidated financial statements of the Parent Company for the year ended March 31, 2022 and the disclaimer has affected our opinion on the consolidated financial statements of the Parent Company and we have issued a disclaimer of opinion on the consolidated financial statements for the year ended on that date.

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

SINGHI & CO. Chartered Accountants

(Rajiv Singhi)
Partner
Membership No. 053518
UDIN: 22053518ATENAI9083

Place: Kolkata
Date: September 19, 2022

TIL LIMITED
CIN: L74999WB1974PLC041725
Consolidated Balance Sheet as at 31st March 2022
(All amounts in Rs Lakhs, unless otherwise stated)

	Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
A	**ASSETS**			
1	**Non-Current Assets**			
	(a) Property, Plant and Equipment	**4**	**10,546**	11,309
	(b) Capital Work-In-Progress	**6**	**27**	227
	(c) Right-of-use Assets	**4.1**	**1,268**	537
	(d) Intangible Assets	**7**	**46**	107
	(e) Financial Assets			
	(i) Investments	**8-A**	**-**	-
	(ii) Others	**9-A**	**582**	670
	(f) Deferred Tax Assets (Net)	**10-B**	**3,457**	4,558
	(g) Income Tax Assets (Net)	**10-A**	**437**	591
	(h) Other Non-Current Assets	**11-A**	**21**	424
	Total Non-Current Assets		**16,384**	18,423
2	**Current Assets**			
	(a) Inventories	**12**	**16,430**	21,707
	(b) Financial Assets			
	(i) Investments	**8-B**	**98**	3,517
	(ii) Trade Receivables	**13**	**2,610**	23,823
	(iii) Cash and Cash Equivalents	**14-A**	**97**	46
	(iv) Bank balances other than (iii) above	**14-B**	**364**	514
	(v) Others	**9-B**	**266**	404
	(c) Other Current Assets	**11-B**	**1,728**	1,792
	Total Current Assets		**21,593**	51,803
3	**Assets Held for Sale**	**4.3**	**-**	3,634
	TOTAL ASSETS		**37,977**	73,860
B	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity Share Capital	**15**	**1,003**	1,003
	(b) Other Equity	**16**	**(21,101)**	21,987
	Total Equity		**(20,098)**	22,990
2	**Non-Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	**17-A**	**17,760**	11,784
	(ii) Lease Liabilities	**20-A**	**875**	224
	(b) Provisions	**18-A**	**512**	608
	Total Non-Current Liabilities		**19,147**	12,616
3	**Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	**17-B**	**22,089**	25,337
	(ii) Lease Liabilities	**20-B**	**111**	39
	(iii) Trade Payables	**19**		
	A) Total outstanding dues of micro enterprises and small enterprises		**382**	507
	B) Total outstanding dues of Creditors other than micro enterprises and small enterprises		**8,922**	6,749
	(iv) Other Financial Liabilities	**21**	**431**	84
	(b) Other Current Liabilities	**22**	**6,954**	5,330
	(c) Provisions	**18-B**	**39**	208
	Total Current Liabilities		**38,928**	38,254
	TOTAL EQUITY AND LIABILITIES		**37,977**	73,860

Significant accounting policy and accompanying notes (1 to 48) forming an integral part of the Consolidated Financial Statements.

In terms of our report of even date attached

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

For and on behalf of Board of Directors
of **TIL Limited**

Rajiv Singhi
Partner
Membership No. 053518

Sumit Mazumder
Chairman & Managing Director
(DIN:00116654)

Kolkata
19th September 2022

Bipasha Banerjea
Chief Financial Officer

Sekhar Bhattacharjee
Company Secretary

TIL LIMITED
CIN: L74999WB1974PLC041725
Consolidated Statement of Profit and Loss for the Year Ended 31st March 2022
(All amounts in Rs Lakhs, unless otherwise stated)

	Particulars	Note No.	Year Ended 31.03.2022	Year Ended 31.03.2021
I.	Revenue from Operations	23	6,624	31,323
II.	Other Income	24	1,089	728
III.	**Total Revenue (I + II)**		7,713	32,051
IV.	**Expenses**			
	Cost of Materials Consumed	25	2,098	11,344
	Purchases of Stock-In-Trade	26	2,004	10,488
	Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress	27	(1,002)	234
	Employee Benefits Expense	28	5,536	5,528
	Finance Costs	29	3,620	3,465
	Depreciation and Amortization Expense	30	995	1,187
	Other Expenses	31	10,325	7,170
	Total Expenses (IV)		23,576	39,416
V.	**Profit/(Loss) Before Exceptional Items and Tax (III - IV)**		(15,863)	(7,365)
VI.	**Exceptional Items**	32	(25,953)	224
VII.	**Profit/(Loss) Before Tax (After Exceptional Items) [V-VI]**		(41,816)	(7,141)
VIII.	**Tax (Benefits) / Expenses**			
	Current Tax		-	-
	Income tax relating to earlier years		172	3
	Deferred Tax	10-B	1,129	(296)
	Total Tax (Benefits) / Expenses (VIII)		1,301	(293)
IX.	**Profit / (Loss) for the year (VII-VIII)**		(43,117)	(6,848)
X.	**Other Comprehensive Income**			
	A. Items that will not be reclassified to the Statement of Profit and Loss			
	Remeasurement of the defined benefit plans		(79)	(15)
	B. Income tax relating to items that will not be reclassified to the Statement of Profit and Loss		28	5
	C. Items that will be reclassified to the Statement of Profit and Loss			
	Exchange differences in translating the financial statements of foreign operations		80	(66)
	D. Income tax relating to items that will be reclassified to the Statement of Profit and Loss		-	-
	Total Other Comprehensive Income (X)		29	(76)
XI.	**Total Comprehensive Income for the year (IX + X)**		(43,088)	(6,924)
XI.	Earnings Per Equity Share (Face Value of Rs. 10/-)			
	Basic and Diluted	44	(429.87)	(68.27)

Significant accounting policy and accompanying notes (1 to 48) forming an integral part of the Consolidated Financial Statements.

In terms of our report of even date attached

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

Rajiv Singhi
Partner
Membership No. 053518

For and on behalf of Board of Directors
of **TIL Limited**

Sumit Mazumder
Chairman & Managing Director
(DIN:00116654)

Kolkata
19th September 2022

Bipasha Banerjea
Chief Financial Officer

Sekhar Bhattacharjee
Company Secretary

TIL LIMITED
CIN: L74999WB1974PLC041725
Consolidated Statement of Cash Flows for the Year Ended 31st March 2022
(All amounts in Rs Lakhs, unless otherwise stated)

	Particulars	Year Ended 31.03.2022		Year Ended 31.03.2021	
A	**Cash Flow from Operating Activities**				
	Profit Before Tax and Exceptional Items		**(15,863)**		(7,365)
	Adjustments for:				
	Depreciation and Amortization Expense	**995**		1,187	
	Finance Costs	**3,620**		3,465	
	Net (Gain) / Loss on Fair Valuation of investments through Profit and Loss	**(4)**		(366)	
	Net (Gain) / Loss on Assets Held for Sale	**(283)**		-	
	Unrealised Foreign Exchange (Gain) / Loss (Net)	**57**		47	
	Provisions / Liabilities no longer required written back	**(610)**		-	
	(Gain) / Loss on Sale of Investment	**(72)**		(1)	
	Doubtful and Bad Debts, Advances, Loans and Deposits	**6,035**		3,574	
	Interest Income	**(79)**		(37)	
	Dividend Income	**(27)**		(130)	
	(Profit) / Loss on Sale of Property, Plant & Equipment (Net)	**(1)**		5	
	Loss on Modification/Termination on Lease Assets	**275**		-	
	(Gain) / Loss on Fair Valuation of Derivatives not designated as Hedging Instruments through Profit and Loss	**3**		(3)	
	Other Non Cash Adjustment	**(8)**		186	
			9,901		7,927
	Operating Profit before Working Capital Changes		**(5,962)**		562
	Changes in Working Capital				
	Trade Receivables, Loans, Advances and Other Assets	**4,053**		(7,070)	
	Inventories	**(4,642)**		1,598	
	Trade Payables, Other Liabilities and Provisions	**3,906**		(978)	
			3,317		(6,450)
	Cash Generated from Operations		**(2,645)**		(5,888)
	Income Tax Paid (Net)		**(18)**		(239)
	Net Cash Flows used in Operating Activities (A)		**(2,663)**		(6,127)
B	**Cash Flow from Investing Activities**				
	Purchase of Property, Plant and Equipment, Intangibles etc.	**3**		178	
	Sale of Property, Plant & Equipment	**4,000**		917	
	Margin Money / Bank Deposits not considered as Cash and Cash Equivalents	**43**		(362)	
	Interest Received	**79**		37	
	Dividend Received	**27**		130	
	(Purchase)/Sale of Investments	**3,574**		(423)	
	Net Cash Flows used in Investing Activities (B)		**7,726**		477
C	**Cash Flow from Financing Activities**				
	Repayment of Long Term Borrowings	**(1,776)**		(3,262)	
	Proceeds from Long Term Borrowings	**4,476**		11,462	
	Repayment of Lease Liabilities	**(99)**		(68)	
	Proceeds from Short Term Borrowings (Net)	**(4,433)**		106	
	Finance Costs Paid	**(3,168)**		(3,497)	
	Net Cash Flows from Financing Activities (C)		**(5,000)**		4,741
	Net Increase in Cash and Cash Equivalents (A+B+C)		**63**		(909)
	Cash and Cash Equivalents at the beginning of the year (Refer Note 14-A)		**46**		977
	Effect for foreign exchange fluctuation		**(12)**		(22)
	Cash and Cash Equivalents at the end of the period (Refer Note 14-A)		**97**		46
	Cash and Cash Equivalents Comprises				
	Cash in hand		3		5
	Balance with Banks		94		41
			97		46

Notes:

a) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'

b) The composition of Cash & Cash Equivalent has been determined based on the Accounting Policy No. 2.20.

c) Figures for the previous year have been re-grouped wherever considered necessary.

d) Income Taxes paid /Refund received (net) are treated as arising from operating activities and are not bifurcated between investing and financing activities.

e) As per Ind AS 7, the Group is required to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The Group did not have any material impact on the Statement of Cash Flows therefore reconciliation has not been given.

Significant accounting policy and accompanying notes (1 to 48) forming an integral part of the Consolidated Financial Statements.

In terms of our report of even date attached

For and on behalf of Board of Directors
of **TIL Limited**

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

Rajiv Singhi
Partner
Membership No. 053518

Sumit Mazumder
Chairman & Managing Director
(DIN:00116654)

Kolkata
19th September 2022

Bipasha Banerjea
Chief Financial Officer

Sekhar Bhattacharjee
Company Secretary

TIL LIMITED
CIN: L74999WB1974PLC041725
Consolidated Statement of Changes in Equity for the Year Ended 31st March 2022
(All amounts in Rs Lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Balance as at 01.04.2020	Changes in equity share capital during the year	Balance as at 31.03.2021
1,003	-	1,003

Balance as at 01.04.2021	**Changes in equity share capital during the year**	**Balance as at 31.03.2022**
1,003	-	1,003

B. OTHER EQUITY

	Reserve and Surplus							**Items of Other Comprehensive Income**	
	Securities Premium	**Capital Reserve**	**Capital Redemption Reserve**	**Development Rebate Reserve**	**Amalgamation Reserve**	**General Reserve**	**Retained Earnings**	**Foreign Currency Translation Reserve**	**Total Equity**
Balance as at 01.04.2020	1,934	878	400	1	20	3,013	19,826	2,839	28,911
Loss for the year	-	-	-	-	-	-	(6,848)	-	(6,848)
Other Comprehensive Income for the year (net of tax)	-	-	-	-	-	-	(10)	(66)	(76)
Balance as at 31.03.2021	1,934	878	400	1	20	3,013	12,968	2,773	21,987
Loss for the year	-	-	-	-	-	-	**(43,117)**	**-**	**(43,117)**
Other Comprehensive Income for the year (net of tax)	-	-	-	-	-	-	**(51)**	**80**	**29**
Total Comprehensive Income	-	-	-	-	-	**-**	**(43,168)**	**80**	**(43,088)**
Balance as at 31-03-2022	**1,934**	**878**	**400**	**1**	**20**	**3,013**	**(30,200)**	**2,853**	**(21,101)**

TIL LIMITED
CIN: L74999WB1974PLC041725
Consolidated Statement of Changes in Equity for the Year Ended 31st March 2022
(All amounts in Rs Lakhs, unless otherwise stated)

B. OTHER EQUITY CONTD…

Securities Premium
This reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

Capital Reserve
This represents grants etc. of capital nature.

Capital Redemption Reserve
This reserve is created on redemption of capital.

Development Reserve and Amalgamation Reserve
These Reserves were transferred to the Group in the course of business combination.

General Reserve
The General Reserve is used from time to time to transfer profit from retained earnings for appropriation purposes.

Retained Earnings
This reserve represents the cumulative profits of the Group. This can be utilised in accordance with the provisions of the Companies Act, 2013.

Foreign Currency Translation Reserve
This reserve contains accumulated balance of foreign exchange differences from translation of the financial statements of the Group's foreign operations arising at the time of consolidation of such entities.

Significant accounting policy and accompanying notes (1 to 48) forming an integral part of the Consolidated Financial Statements.

In terms of our report of even date attached

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

For and on behalf of Board of Directors
of **TIL Limited**

Rajiv Singhi
Partner
Membership No. 053518

Sumit Mazumder
Chairman & Managing Director
(DIN:00116654)

Kolkata
19th September 2022

Bipasha Banerjea
Chief Financial Officer

Sekhar Bhattacharjee
Company Secretary

1 GENERAL INFORMATION

1.1 TIL Limited (the 'Parent Company' / 'Company') and its overseas subsidiary (collectively referred to as the 'Group') is engaged in manufacturing and marketing of a comprehensive range of material handling, lifting, port and road construction solutions with integrated customer support and after sales service. Overall the Group's products and services are termed as Materials Handling Solutions (MHS). The Group has two manufacturing facilities - Kamarhatty and Kharagpur in West Bengal. The Company is a Public Limited Company and is listed in Bombay, Calcutta and National Stock Exchange in India.

1.2 Basis of Consolidation
The Consolidated Financial Statements (CFS) include the financial statements of the Parent and its following subsidiary (together forming the 'Group').

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership	Accounting Year
TIL Overseas PTE Limited	Singapore	100	1st April to 31st March

Control and significant influence is assessed annually with reference to the voting power (usually arising from equity shareholdings and potential voting rights) and other rights, if any, enjoyed by the Parent in its capacity as an investor that provides it the power and consequential ability to direct the investee's activities and significantly affect the Group's returns from its investment.

The assets, liabilities, income and expenses of the subsidiary is aggregated and consolidated, line by line, from the date control is acquired by the Parent to the date it ceases. Profit or loss and each component of other comprehensive income are attributed to the Group as owners. The excess of the Group's investment in a subsidiary over its share in the net worth of such subsidiary on the date control is acquired is treated as goodwill while a deficit is considered as a capital reserve in the CFS. On disposal of the subsidiary, attributable amount on goodwill is included in the determination of the profit or loss and recognised in the Consolidated Statement of Profit and Loss.

Impairment loss, if any, to the extent the carrying amount exceeds the recoverable amount is charged off to the Consolidated Statement of Profit and Loss as it arises and is not reversed. For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) which is not larger than an operating segment, and is monitored for internal management purposes. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of all intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

1.3 Recent Accounting Developments
The amendments to Schedule III of the Companies Act 2013, are applicable to the Company with effect from April 01, 2021. The Parent company has given effect of the amendments by inclusion of the relevant disclosure by way of additional notes or explanatory notes where ever required.
On 23rd March 2022, The Ministry of Corporate Affairs has brought out certain amendments in Ind AS 103 "Business Combination", Ind AS 16 "Property Plant & Equipment" and Ind AS 37 "Provision, Contingent Liabilities and Contingent Assets". The Parent company is in the process of evaluating the impact of these amendments on the consolidated financial statements of the Group.

2 Significant Accounting Policies

2.1 Statement of Compliance
These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. Except as referred in Note No. 33 and 35 of Consolidated Financial Statements. The Consolidated Financial Statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

2.2 Basis of Preparation
The financial statements are prepared in accordance with the historical cost convention, except for certain items (e.g. financial instruments) that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except leasing transactions that are within the scope of Ind AS 116 – "Leases", and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – "Inventories" or value in use in Ind AS 36 – "Impairment of Assets".

2.3 Operating Cycle
All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – "Presentation of Financial Statements" based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents; the Group has ascertained its operating cycle as 12 months for the purpose of current, non current classification of assets and liabilities.

2.4 Property, Plant and Equipment – Tangible Assets
Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Cost is inclusive of all directly attributable expenses including borrowing cost related to acquisition. Expenses capitalized also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Consolidated Statement of Profit and Loss.

Capital Work in Progress is stated at cost (including borrowing cost, where applicable, and adjustment for exchange difference), incurred during construction / installation / preoperative periods relating to items or projects in progress.

The Group has entered into Memorandum of Understanding in order to sale the leasehold land at Vidyasagar Park, Kharagpur, along with the building in the financial year 2021 - 22. The net book value of the said Leasehold Land is of Rs. 3,613 lakhs and Building Rs. 21 lakh as on 31.03.2021 was appearing in Right of Use Assets and Buildings respectively. Both these assets has been reclassified as asset held for sale as on 31.03.21 and sold during financial year 2021-2022.

2.5 Intangible Assets
Intangible Assets that the Group controls and from which it expects future economic benefits are capitalized upon acquisition and measured initially:

a. for assets acquired in a business combination or by way of a government grant, at fair value on the date of acquisition / grant

2.5 contd….

b. for separately acquired assets, at cost comprising the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalized at cost. Research expenditure is recognized as an expense when it is incurred. Development costs are capitalized only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognized as the cost of such assets.

2.6 Depreciation and Amortization

Depreciation on Property, Plant and Equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Intangible Assets are amortized on straight line basis as follows:

Computer Software - 2 to 5 years.
Technical Knowhow - 3 to 5 years

The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

2.7 Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Consolidated Statement of profit and loss.

2.8 Inventories

Inventories are stated at lower of cost and net realizable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realizable value is the estimated selling price less estimated costs for completion and sale. Obsolete, slow moving and defective inventories are identified periodically and, where necessary, a provision is made for such inventories.

2.9 Foreign Currency Transactions

The functional and presentation currency of the Group is Indian Rupee. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in consolidated statement of profit and loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

2.10 Derivatives

The Group enters into derivative financial instruments, primarily foreign exchange forward contracts, to manage its exposure to foreign exchange risks.

Derivatives are initially recognized at fair value and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gains / losses are recognized in the Consolidated Statement of Profit and Loss.

2.11 Financial instruments, Financial assets, Financial liabilities and Equity instruments

Recognition: Financial assets include Investments, Trade Receivables, Advances, Security Deposits, Cash and Cash Equivalents. Such assets are initially recognised at transaction price when the Group becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Consolidated Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

(a) amortized cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.

(b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognized in other comprehensive income.

(c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Consolidated Statement of Profit and Loss in the period in which they arise. Trade Receivables, Advances, Security Deposits, Cash and Cash Equivalents etc. are classified for measurement at amortized cost while investments may fall under any of the aforesaid classes.

Impairment: The Group assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortized cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

2.11 contd….

Reclassification: When the business model is changed, the Group shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortized cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognized gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognized when the right to receive cash flows from the assets has expired, or has been transferred, and the Group has transferred substantially all of the risks and rewards of ownership.

Concurrently, if the asset is one that is measured at:
(a) amortized cost, the gain or loss is recognized in the Consolidated Statement of Profit and Loss;
(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Consolidated Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition: Interest income is recognized in the Consolidated Statement of Profit and Loss using the effective interest method.

Dividend income is recognized in the Consolidated Statement of Profit and Loss when the right to receive dividend is established.

Financial Liabilities: Borrowings, trade payables and other financial liabilities are initially recognized at the value of the respective contractual obligations. They are subsequently measured at amortized cost. Any discount or premium on redemption / settlement is recognized in the Consolidated Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.
Financial liabilities are derecognized when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments: Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments: Equity instruments are recognized at the value of the proceeds, net of direct costs of the capital issue.

Derivatives: Derivatives are initially recognized at fair value and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gains / losses are recognized in the Consolidated Statement of Profit and Loss immediately.

2.12 Revenue
Revenue from contract with customers is recognized when the Group satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations may be satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/ arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and applicable taxes. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives / discounts. Accumulated experience is used to estimate and provide for the discounts / right of return, using the expected value method.

2.13 Government Grant
Government grants are recognized when there is reasonable assurance that the grant will be received, and the Group will comply with the conditions attached to the grant. Accordingly, government grants:

a) related to or used for assets are included in the Balance Sheet as deferred income and recognized as income over the useful life of the assets.

b) related to incurring specific expenditures are taken to the consolidated statement of profit and loss on the same basis and in the same periods as the expenditures incurred.
c) by way of financial assistance on the basis of certain qualifying criteria are recognized as they become receivable.

2.14 Employee Benefits
The undiscounted amount of Short-term Employee Benefits (i.e. benefits payable within one year) are recognized in the period in which the employee services are rendered.

Contributions towards provident funds are recognized as expense. Provident fund contributions in respect of employees are made to Trusts - 'Tractors (India) Limited Provident Institution' and 'TIL Limited (Kamarhatty Works) Provident Fund Institution' being administered by the trustees of the said fund for the benefit of employees of the Group and such Trusts invest funds following a pattern of investment prescribed by the Government. The interest rate payable to the members of the Trusts is not lower than the rate of interest declared annually by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act,1952 and shortfall, if any, on account of interest, is made good by the Group.

Contributions under Employees' Pension Scheme is made as per statutory requirements and charged as expenses for the year.

The Group also contributes to the Central Government administered Employees' State Insurance Scheme for its eligible employees, which is a defined contribution plan.

Provisions for Gratuity for eligible employees (being a defined benefit plan) is made on the basis of year end actuarial valuation using Projected Unit Credit Method.

In respect of certain eligible employees who have attained 45 years of age as on 1st April 2009, provision for Superannuation under defined benefit plan is made on the basis of year end actuarial valuation using Projected Unit Credit Method.

Contd.
In respect of certain eligible employees who have not attained 45 years of age as on 1st April 2009 provision for Superannuation is made :-
- under defined contribution scheme in respect of services rendered with effect from 1st April 2009.
- under defined benefit scheme in respect of services rendered up to 31st March 2009, based on frozen pensionable salary as on 31st March 2009 using Projected Unit Credit Method.

Service costs and net interest expense or income is reflected in the Consolidated Statement of Profit and Loss. Gain or Loss on account of remeasurement are recognized immediately through other comprehensive income in the period in which they occur.

Accrued liability towards compensated absence, covering eligible employees, evaluated on the basis of year end actuarial valuation using Projected Unit Credit Method, is recognised as a charge.

Ind AS 19 – Plan Amendment, Curtailment or Settlement:
It requires an entity to use updated assumptions to determine current service costs and net interest for the remainder of the period after a plan amendment, curtailment or settlement, and to recognize in the Consolidated Statement of Profit and Loss as part of past service cost, or gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

2.15 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether
(i) the contract involves the use of an identified asset;
(ii) the Group have substantially all of the economic benefits from the use of the asset through the period of the lease; and
(iii) the Group have the right to direct the use of the asset.
At the date of commencement of the lease, the Group recognize a right of use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short term and low value leases, the group recognizes the lease payments as an operating expense on a straight line over the term of the lease.
Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and liabilities include these options when it is reasonably certain that they will be exercised.

The right of use of assets are initially recognized at cost, which comprise the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct cost less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right of use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset. Right of use of assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying value may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined using Cash Generating Unit (CGU) to which the asset belongs.

As per Ind AS- 116, lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.16 Taxes on Income

Taxes on income comprise of current taxes and deferred taxes. Current tax in the Consolidated Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which such unused tax losses can be utilized.
Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Tax Credit is recognized in respect of Minimum Alternate Tax (MAT) as per the provisions of Section 115JAA / 115JB of the Income Tax Act, 1961 based on convincing evidence that the Group will recover the same against normal income tax within the statutory time frame which is reviewed at each Balance Sheet Date.

2.17 Provisions and contingent liabilities

Provisions are recognized when, as a result of a past event, the Group has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognized is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

A disclosure of a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a apposable obligation or a present obligation and the likelihood of outflow of resources, is remote, no provision or disclosure of contingent liability is made.

2.18 Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM of the Parent Company is responsible for allocating resources and assessing performance of the operating segments. Based on such, the Group operates in one operating segment, viz. Material Handling Solutions (MHS).

2.19 Earning per Share

Basic earnings per share are calculated by dividing the profit and loss for the year attributable to shareholders by the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earnings per share, the profit and loss for the year attributable to shareholders and weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential shares.

2.20 Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand, term deposits and other short-term highly liquid investments, net of bank overdrafts as they are considered an integral part of the Company's cash management. Bank overdrafts are shown within short term borrowings in the balance sheet.

2.21 The Group has adopted a norm to round-off any amount below Rs. 0.5 lakh.

3 Use of estimates and judgements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements in applying accounting policies

The judgements, apart from those involving estimations (see notes 3.1 to 3.6), that the Group has made in the process of applying its accounting policies and that have a significant effect on the amounts recognized in these consolidated financial statements pertain to useful life of intangible assets. Refer note 2.6 to the consolidated financial statements.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.1 Useful lives of property, plant and equipment and intangible assets

As described in the significant accounting policies, the Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

3.2 Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. Fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

• Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
• Level 3 inputs are unobservable inputs for the asset or liability. The Group engages third party valuers, where required, to perform the valuation.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the consolidated financial statements.

3.3 Actuarial Valuation

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognized in the consolidated Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

3.4 Claims, Provisions and Contingent Liabilities

The Group has ongoing litigations with various regulatory authorities. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations are provided in notes 37.1 to 37.3 to the consolidated financial statements.

3.5 Inventory Obsolescence

The Group reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Group estimates the net realizable value for such inventories based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review at each balance sheet date and makes provision against obsolete and slow-moving items. The Group reassesses the estimation on each balance sheet date.

3.6 Impairment of Financial Assets

The Group assesses impairment based on Expected Credit Losses (ECL) model on trade receivables. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analysed.

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2022
(All amounts in Rs Lakhs, unless otherwise stated)

4 PROPERTY, PLANT AND EQUIPMENT

Particulars	As at 31.03.2022	As at 31.03.2021
Net Carrying amounts of		
Freehold Land	**1,756**	1,694
Buildings	**5,664**	5,873
Plant and Equipment	**2,655**	3,058
Furniture and Fixtures	**348**	520
Office Equipment	**11**	16
Vehicles	**112**	148
Total	**10,546**	**11,309**

Particulars	As at 01.04.2020	Additions	Disposals	Assets Held for Sale	As at 31.03.2021	Additions	Disposals	Assets Held for Sale	As at 31.03.2022
Gross Carrying Amount-Cost									
Freehold Land	1,694	-	-	-	1,694	62	-	-	**1,756**
Buildings	7,638	435	650	434	6,989	58	-	-	**7,047**
Plant and Equipment	4,798	231	101	-	4,928	5	2	-	**4,931**
Furniture and Fixtures	1,498	1	73	-	1,426	-	-	-	**1,426**
Office Equipment	28	-	1	-	27	*	-	-	**27**
Vehicles	225	-	62	-	163	-	-	-	**163**
Total	15,881	667	887	434	15,227	125	2	-	**15,350**

Particulars	As at 01.04.2020	Depreciation expense	Eliminated on disposals of assets	Assets Held for Sale	As at 31.03.2021	Depreciation expense	Eliminated on disposals of assets	Assets Held for Sale	As at 31.03.2022
Depreciation									
Freehold Land	-	-	-	-	-	-	-	-	**-**
Buildings	1,330	324	125	413	1,116	267	-	-	**1,383**
Plant and Equipment	1,450	431	11	-	1,870	407	1	-	**2,276**
Furniture and Fixtures	741	177	12	-	906	172	-	-	**1,078**
Office Equipment	7	5	1	-	11	5	-	-	**16**
Vehicles	15	40	40	-	15	36	-	-	**51**
Total	3,543	977	189	413	3,918	887	1	-	**4,804**

4.1 RIGHT-OF-USE ASSETS

Particulars	As at 31.03.2022	As at 31.03.2021
Net Carrying amounts of		
Right-of-use Assets	**1,268**	537
Total	**1,268**	537

Particulars	As at 01.04.2020	Additions	Disposals	Assets Held for Sale	As at 31.03.2021	Additions	Disposals	Assets Held for Sale	As at 31.03.2022
Gross Carrying Amount- Cost									
Right-of-use Assets	4,268	72	49	3,689	602	951	224	-	**1,329**
Total	4,268	72	49	3,689	602	951	224	-	**1,329**

Particulars	As at 01.04.2020	Amortization expense	Amortization on disposals	Assets Held for Sale	As at 31.03.2021	Amortization expense	Amortization on disposals	Assets Held for Sale	As at 31.03.2022
Amortization									
Right-of-use Assets	91	94	44	76	65	47	51	-	**61**
Total	91	94	44	76	65	47	51	-	**61**

* Amount is below the rounding off norm adopted by the Group.

Notes:-

4.2 For details of Property, Plant and Equipment given as security against borrowing - Refer Note 17.1.

4.3 The Group had entered into Memorandum of Understanding in order to sale the leasehold land at Vidyasagar Park, Kharagpur, along with the building in the financial year 2020 - 21. The net book value of the said Leasehold Land is of Rs. 3,613 lakhs and Building Rs. 21 lakh as on 31.03.2021 was appearing in Right of Use Assets and Buildings respectively. Both these assets had been reclassified as asset held for sale as on 31st March 2021 and sold during financial year 2021-2022.

4.4 Based on the fair valuation report of the Property Plant & Equipment by an external valuer as engaged by the Group, since the fair value of the Property, Plant and Equipment is higher than its carrying value as on the Balance sheet date, in the opinion of the management, no impairment provision is considered necessary as at the balance sheet date.

4.5 The Group doesn't hold any Benami Property and there is no proceedings initiated or pending against the Group for holding any Benami Property under the Benami Transaction (Prohibition) Act, 1988 and rules made there under.

4.6 The Group has not revalued its Property, Plant & Equipment, Right of Use Assets and Intangible Assets during the current year and previous year.

(All amounts in Rs Lakhs, unless otherwise stated)

5 Leases

The Group has adapted Ind AS 116 - (Leases w.e.f. 1st April 2019). The Impact of Ind AS 116 on the consolidated financial statement for the year ended 31st March 2022 is as under.

5.1 Amount recognized in Balance Sheet and Consolidated Statement of Profit and Loss

Carrying amounts of the right of use assets and lease liabilities and movements during the year is given below

Particulars	Right of Use Assets Land & Buildings	Lease Liabilities
As at 1st April 2020 *	4,177	234
Addition / Disposal of ROU assets (Net)	23	68
Amortization Expenses	94	-
Amortization on Disposal of ROU assets	44	-
Interest Expenses		30
Payments made during the year		(69)
Assets Held for Sale (Refer note 4.3)	(3,613)	
As at 31st March 2021	537	263
As at 1st April 2021	**537**	**263**
Addition / Disposal of ROU assets (Net)	**727**	**756**
Amortization Expenses	**47**	**-**
Amortization on Disposal of ROU assets	**51**	**-**
Interest Expenses		**34**
Payments made during the year		**(67)**
As at 31st March 2022	**1,268**	**986**

* The Group did not change the carrying amounts of recognized assets and liabilities previously classified as finance leases i.e. recognized under Ind AS 17. The requirements of Ind AS 116 was applied to these leases from 1st April 2019.

5.2 Amounts recognized in the Consolidated Statement of Profit and Loss

Particulars	**For the Year Ended 31.03.2022** **Amount**	For the Year Ended **31.03.2021** Amount
Amortisation expense on right of use assets	**47**	94
Interest expenses on lease liabilities	**34**	30
Rent Expenses of short term lease and leases of low value	**60**	85
Total	**141**	209

5.3 Lease liabilities

Carrying amounts of the right of use assets and liabilities and movements during the year

Particulars	**As at 31.03.2022**	As at 31.03.2021
Minimum lease payments		
Within one year	**111**	67
After one year but not more than five years	**446**	175
More than five years	**3,039**	294
	3,596	536
Less: Future finance charges	**2,610**	273
	986	263
Included in the financial statements as		
Current maturities of finance lease obligations (Refer Note 20-B)	**111**	39
Non-current borrowings	**875**	224
	986	263
The Net Carrying amount of the assets acquired under Finance Lease included in Note 4.1	**1,268**	537
	1268	537

6 CAPITAL WORK-IN-PROGRESS

	Particulars	As at 31.03.2022	As at 31.03.2021
a.	Balance as at the beginning of the year	**227**	677
b.	Add: Additions during the year	**-**	56
c.	**Total Capital Work-In-Progress: c= (a+b)**	**227**	733
d.	Less: Transferred to Plant, Property and Equipment and intangible assets	**117**	506
e.	Less: Written off during the year	**83**	-
f.	**Balance as at the end of the year: f=(c-d-e)**	**27**	227

6.1 Ageing of Capital Work-in-Progress as on 31.03.2022 is as below

Capital Work in Progress (CWIP)	Amount of CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Projects in Progress	-	-	-	-	**-**
ii) Projects temporarily suspended	-	-	-	27	**27**
Total	**-**	**-**	**-**	**27**	**27**

Ageing of Capital Work-in-Progress as on 31.03.2021 is as below

Capital Work in Progress (CWIP)	Amount of CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Projects in Progress	-	-	-	117	**117**
ii) Projects temporarily suspended	-	-	-	110	**110**
Total	**-**	**-**	-	**227**	**227**

Projects which have exceeded their original timeline/original budget is Rs. 27 Lakhs (Previous Year Rs. 227 Lakhs)

<u>Expected Capital Work-in-Progress Completion schedule for overdue cases as at 31-03-2022</u>

Capital Work in Progress (CWIP)	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	**-**
Projects temporarily suspended	-	-	-	-	**-**
i) Paint Booth at Kharagpur	-	27	-	-	**27**

<u>Expected Capital Work-in-Progress Completion schedule for overdue cases as at 31-03-2021</u>

Capital Work in Progress (CWIP)	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
(i) Conversion charges for Agricultural Land to Industrial Land at Changual	62	-	-	-	62
(ii) Restructuring and Re-Sheding at Kharagpur Plant	55	-	-	-	55
Total (A)	**117**	**-**	**-**	**-**	**117**
Projects temporarily suspended					
(i) Paint Booth at Kharagpur	-	-	27	-	27
(ii) Project at Vidyasagar- Kharagpur	-	-	-	83	83
Total (B)	**-**	**-**	**27**	**83**	**110**
Total (A+B)	**117**	-	**27**	83	**227**

7 INTANGIBLE ASSETS

Particulars	As at 31.03.2022	As at 31.03.2021
Net Carrying amounts of :		
Software	**46**	107
Total	**46**	107

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2022
(All amounts in Rs Lakhs, unless otherwise stated)

7 INTANGIBLE ASSETS Contd.…

	As at 01.04.2020	Additions	Disposals	As at 31.03.2021	Additions	Disposals	**As at 31.03.2022**
Gross Carrying Amount- Cost							
(Internally generated assets)							
Technical Know-how	548	-	-	548	-	-	**548**
Software	325	-	-	325		-	**325**
Total	873	-	-	873	-	-	**873**

	As at 01.04.2020	Amortization expense	Eliminated on disposals of assets	As at 31.03.2021	Amortization expense	Eliminated on disposals of assets	**As at 31.03.2022**
Amortization							
(Internally generated assets)							
Technical Know-how	512	36	-	548	-	-	**548**
Software	137	81	-	218	61	-	**279**
Total	649	117	-	766	61	-	**827**

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2022
(All amounts in Rs Lakhs, unless otherwise stated)

8-A NON-CURRENT INVESTMENTS

	As at 31.03.2022 Numbers	As at 31.03.2022 Value	As at 31.03.2021 Numbers	As at 31.03.2021 Value
I. Investments carried at amortized cost				
Unquoted				
Investment in Debentures				
Woodlands Multispecialty Hospital Limited #	**-**	**-**	20	*
1/2 % Debentures of Rs. 100/- each fully paid				
Investments Carried at Amortized Cost		**-**		*
II. Investments carried at Fair Value through Profit and Loss				
Unquoted Investments				
Investment in Equity Instrument				
Myanmar Tractors Limited	**602**	**13**	602	13
Shares of Kyats 1000 each fully paid				
(equivalent to US$ 168.55 each)				
Less: Provision for impairment of investment		**(13)**		(13)
Investments carried at Fair Value through Profit and Loss		**-**		-
Aggregate book value of investments				
Quoted		**-**		-
Unquoted		**-**		-
Total		**-**		-
Aggregate market value of quoted investments		**-**		-
Aggregate amount of impairment in value of investments		**13**		13

*Amount is below the rounding off norm adopted by the Group.
20 nos Debentures of Rs. 100/- each for Rs. 2000 of Woodlands Multispeciality Hospital Limited has been written off during March'22.

8-B CURRENT INVESTMENTS

	As at 31.03.2022 Numbers	As at 31.03.2022 Value	As at 31.03.2021 Numbers	As at 31.03.2021 Value
I. Investment carried at Fair Value through Profit and Loss				
Quoted Investments :				
Investment in Equity Instrument				
Eveready Industries India Limited	**1,266**	**4**	1,266	4
Shares of Rs. 5/- each fully paid				
McLeod Russell India Limited	**1,266**	*	1,266	*
Shares of Rs. 5/- each fully paid				
Bank of India	**7,900**	**4**	7,900	5
Shares of Rs. 10/- each fully paid				
Investment in Mutual Funds**		**90**		198
Investment in Bonds**		**-**		3,310
Total		**98**		3,517
Aggregate book value of quoted investments		**98**		3,517
Aggregate market value of quoted investments		**98**		3,517

*Amount is below the rounding off norm adopted by the Group.
** Held by Foreign Subsidiary

9 OTHER FINANCIAL ASSETS

A. NON-CURRENT

	As at 31.03.2022	As at 31.03.2021
Unsecured, Considered Good		
Security Deposits	**53**	249
Deposit with Banks	**11**	10
Earmarked Balances with Banks #	**518**	411
Total	**582**	670

Earmarked balances with banks represent balances held for margin money against issue of bank guarantees.

B. CURRENT

	As at 31.03.2022	As at 31.03.2021
Unsecured, Considered Good		
Security Deposits *	**118**	151
Claims Receivable	**130**	250
Derivatives not designated as Hedging Instruments	**-**	3
Others	**18**	-
Total	**266**	404

* Security Deposits includes provision of Rs. 101 Lakh (Previous Year Rs. 101 Lakh) (Refer note 9.1)

9.1 The details in movement of other provisions are as follows

Provision for Security Deposit	As at 31.03.2022	As at 31.03.2021
Balance at the beginning of the year	**101**	101
Additions during the year	**-**	-
Released to the statement of profit and loss	**-**	-
Balance at the end of the year	**101**	101

10-A INCOME TAX ASSETS (NET)

Particulars	Non-Current	
	As at 31.03.2022	As at 31.03.2021
Advance Income-Tax (Net)	**437**	591
Total	**437**	591

Income Tax (Benefits) / Expenses

The Group is subject to income tax in India on the basis of standalone financial statements. As per the Income Tax Act, the Group is liable to pay income tax which is the higher of regular income tax payable and the amount payable based on the provisions applicable for Minimum Alternate Tax (MAT).
MAT paid in excess of regular income tax during a year can be carried forward for a period of 15 years and can be set-off against future tax liabilities.

The Reconciliation of Estimated Income Tax to Income Tax Expense is as below

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Profit before tax	**(41,816)**	(7,141)
Statutory Income Tax Rate	**34.94%**	34.94%
Income Tax Expenses calculated at Statutory Rate	**(14,611)**	(2,495)
(i) Effect of Expenses that are not deductible in determining taxable profit	**96**	7
(ii) Effect of Tax Items in subsidiary company	**512**	50
(iii) Effect of permanent difference under Income Tax Act / Tax impact of losses on which DTA is not recognised	**15,256**	2,188
(iv) Others	**48**	(43)
Total Tax Expense Recognized in the Consolidated Statement Profit and Loss	**1,301**	(293)

10-B COMPONENTS OF DEFERRED TAX ASSETS / (LIABILITIES) AS AT 31ST MARCH 2022 IS AS BELOW

Particulars	Balance as at 01.04.2021	Recognized/ (Reversed) in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Balance as at 31.03.2022
Deferred Tax Assets				
Provisions	2,554	(1,538)	-	**1,016**
Disallowances u/s 43B of IT Act	198	353	28	**579**
Prepaid Lease Rent	5	1	-	**6**
	2,757	(1,184)	28	**1,601**
Deferred Tax Liabilities				
Property, Plant and Equipment and Intangible Assets	1,223	(53)	-	**1,170**
MTM valuation of Investment	2	(2)	-	**-**
	1,225	(55)	-	**1,170**
Net Deferred Tax Assets / (Liabilities) [A]	1,532	(1,129)	28	**431**
MAT Credit Entitlement				
MAT Credit Receivable	3,026	-	-	**3,026**
Total MAT Credit Receivable [B] *	3,026	-	**-**	**3,026**
Net Deferred Tax Assets / (Liabilities) [C]=[A]+[B]	4,558	(1,129)	28	**3,457**

Components of Deferred Tax Assets / (Liabilities) as at 31st March 2021 is as below

Particulars	Balance as at 01.04.2020	Recognized/ (Reversed) in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Balance as at 31.03.2021
Deferred Tax Assets				
Provisions	2,260	294	-	2,554
Disallowances u/s 43B of IT Act	185	8	5	198
Prepaid Lease Rent	14	(9)	-	5
MTM valuation of Investment	3	(3)	-	-
	2,462	290	5	2,757
Deferred Tax Liabilities				
Property, Plant and Equipment and Intangible Assets	1,231	(8)	-	1,223
MTM valuation of Investment	-	2	-	2
	1,231	(6)	-	1,225
Net Deferred Tax Assets / (Liabilities) [A]	1,231	296	5	1,532
MAT Credit Entitlement				
MAT Credit Receivable	3,026	-	-	3,026
Total MAT Credit Receivable [B]	3,026	-	**-**	3,026
Net Deferred Tax Assets / (Liabilities) [C]=[A]+[B]	4,257	296	5	4,558

* Unused tax credits are due to expire from financial year 2027-28 to 2035-36

10.1 The Group has carried forward Minimum Alternate Tax Credit of Rs. 3026 Lakhs as on March 31,2022 (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.

10.2 The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year ended March 31, 2022 and March 31, 2021 in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

10.3 At the end of the reporting period, the aggregate amount of temporary differences associated with undistributed earnings of the subsidiary which has not been recognized as on 31st March 2022 is Rs. 82 Lakhs (31.03.2021: Rs. 584 Lakhs). Deferred tax on these differences has not been recognized because the Parent is in a position to control the timing of the reversal of the temporary differences.

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2022
(All amounts in Rs Lakhs, unless otherwise stated)

11 OTHER ASSETS

A. NON-CURRENT	**As at 31.03.2022**	As at 31.03.2021
Capital Advances	**-**	12
Balance with Statutory / Government Authorities (other than income taxes) - [Refer Note 11.1]	**5**	400
Employee Advance	**16**	12
Total	**21**	424

B. CURRENT	**As at 31.03.2022**	As at 31.03.2021
Advance to Suppliers	**2,848**	897
Less : Provision	**1,832**	**-**
	1,016	**897**
Balance with Statutory / Government Authorities (other than income taxes)	**379**	442
Employee Advance	**67**	48
Prepayments	**266**	405
Total	**1,728**	1,792

11.1 Balance with Statutory / Government Authorities relates to amounts paid under protest in respect of demands from regulatory authorities.

11.2 The details in movement of other provisions are as follows

Provision for Advance to Suppliers	**As at 31.03.2022**	**As at 31.03.2021**
Balance at the beginning of the year	**-**	-
Additions during the year	**1,832**	-
Released to the statement of profit and loss	**-**	-
Balance at the end of the year	**1,832**	-

12 INVENTORIES

(Measure at lower of cost and net realisable value)	**As at 31.03.2022**	As at 31.03.2021
a. Raw Materials	**10,878**	14,090
	10,878	14,090
b. Work-in-Progress	**3,437**	4,580
	3,437	4,580
c. Finished Goods	**-**	-
	-	-
d. Stock-in-Trade	**1,940**	2,854
	1,940	2,854
e. Stores and Spares	**175**	183
	175	183
Total	**16,430**	21,707

12.1 The above includes Goods-in-Transit as under	**As at 31.03.2022**	As at 31.03.2021
Raw Material	**3,682**	2,889
Stock-in-Trade	**105**	-
Total	**3,787**	2,889

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2022
(All amounts in Rs Lakhs, unless otherwise stated)

12.2 Value of inventories of Raw Materials above is stated after provisions of Rs.602 Lakh (March 31, 2021 - Rs. 536 Lakhs) on slow moving stock. Further, Rs. 11348 Lakhs (March 31, 2021 - Rs. Nil) have been written off during the year and shown as Exceptional item. (Refer Note No. 32)

12.3 Value of inventories of Work-In-Progress above is stated after provisions of Rs.101 Lakh (March 31, 2021 - Rs. 217 Lakhs) for write down to net realizable value. Further, Rs. 1525 Lakhs (March 31, 2021 - Rs. Nil) have been written off during the year and shown as Exceptional item. Further, Stock-in-trade amounting to Rs. 1535 Lakhs (previous year : Nil) have been written off during the year and shown as Exceptional item. (Refer Note No. 32)

12.4 For details of Inventories given as security against borrowing (Refer Note 17.1)

12.5 Raw Materials/Stores and Spares includes materials valuing Rs. 3787 lakhs lying in Bonded Warehouse/ at Port as on March 31st, 2022 which also includes Rs. 2433 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 Company has obtained necessary confirmation from its logistics partner regarding the existence of the inventory as at the balance sheet date. Further 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.

13 TRADE RECEIVABLES

	As at 31.03.2022	As at 31.03.2021
Unsecured, Considered Good	**2,610**	23,823
Unsecured, Considered Doubtful	**1,047**	7,166
	3,657	30,989
Less : Allowance for Credit Loss	**(1,047)**	(7,166)
Total	**2,610**	23,823

In determining the allowances for credit losses of trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected allowance for credit losses is based on the ageing of the receivables that are due and rates used in the provision matrix.

13.1 Movements in Allowance for Credit Losses is as below:

	As at 31.03.2022	As at 31.03.2021
Balance at the beginning of the year	**7,166**	6,325
Charge in Consolidated Statement of Profit and Loss	**5,831**	3,545
Utilized during the year	**(11,950)**	(2,704)
Balance at the end of the year	**1,047**	7,166

13.2 There are no debts due by the directors or other officer of the Company or any of them severally or jointly with any other person or debts due by the firm or private companies respectively in which any director is a partner or a director or a member.

13.3 There are no unbilled receivable as on March 31, 2022 and March 31, 2021.

13.4 (a) Ageing of Trade Receivables as at 31st March 2022

Particulars	**Outstanding for following periods from due date of payment**						**Total**
	Not yet due	**Less than 6 months**	**6 months˘1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
Undisputed Trade Receivable							
(i) Considered good	735	685	313	614	263	-	**2,610**
(ii) Considered Doubtful	16	43	45	145	280	518	**1,047**
(iii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iv) Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivable							
(i) Considered good	-	-	-	-	-	-	**-**
(ii) Considered Doubtful	-	-	-	-	-	-	**-**
(iii) Which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iv) Credit impaired	-	-	-	-	-	-	**-**
Total	**751**	**728**	**358**	**759**	**543**	**518**	**3,657**
Less: Credit loss allowances on Trade Receivable							**1,047**
Total							**2,610**

b. Ageing of Trade Receivables as at 31st March 2021

Particulars	**Outstanding for following periods from due date of payment**						**Total**
	Not yet due	**Less than 6 months**	**6 months˘1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
Undisputed Trade Receivable							
(i) Considered good	6,103	4,164	3,363	9,379	814	-	**23,823**
(ii) Considered Doubtful	102	275	634	2,553	623	2,979	**7,166**
(iii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iv) Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivable							
(i) Considered good	-	-	-	-	-	-	**-**
(ii) Considered Doubtful	-	-	-	-	-	-	
(iii) Which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iv) Credit impaired	-	-	-	-	-	-	**-**
Total	**6,205**	**4,439**	**3,997**	**11,932**	**1,437**	**2,979**	**30,989**
Less: Credit loss allowances on Trade Receivable							**7,166**
Total							**23,823**

(All amounts in Rs Lakhs, unless otherwise stated)

	As at 31.03.2022	As at 31.03.2021
14-A CASH AND CASH EQUIVALENTS		
Cash in hand	**3**	5
Unrestricted Balances with Banks:		
In Current Accounts	**94**	41
Total Cash and Cash Equivalents (As per Ind AS 7 "Statement of Cash Flows")	**97**	46
14-B OTHER BANK BALANCES		
In Earmarked Dividend accounts	**7**	8
Balances held as Margin Money #	**226**	506
In Fixed Deposit Accounts (Under Lien)	**131**	-
Total Other Bank Balances	**364**	514

Balances held as margin money represent balances against issue of letter of credit

15 EQUITY SHARE CAPITAL	As at 31.03.2022	As at 31.03.2021
Authorised		
20,000,000 (31.03.2021 : 20,000,000) Equity Shares of Rs 10/- each	**2,000**	2,000
Issued		
10,030,265 (31.03.2021: 10,030,265) Equity Shares of Rs 10/- each	**1,003**	1,003
Subscribed and Paid up		
10,030,265 (31.03.2021: 10,030,265) Equity Shares of Rs 10/- each (fully paid up)	**1,003**	1,003
Total	**1,003**	1,003

15.1 Rights, Preferences and Restrictions attached to Equity Shares

The Company has one class of Equity Shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. The Dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

15.2 Movement in Subscribed and Paid up Share Capital

Particulars	As At 31.03.2022		As At 31.03.2021	
	Numbers	Amount	Numbers	Amount
Balance as at the beginning of the year	**1,00,30,265**	**1,003**	1,00,30,265	1,003
Balance as at the end of the year	**1,00,30,265**	**1,003**	1,00,30,265	1,003

15.3 Details of Shares held by Each Shareholder holding more than 5% of the Aggregate Shares

Particulars	As At 31.03.2022		As At 31.03.2021	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
Fully paid equity shares				
The Coles Crane Group Ltd	**19,30,828**	**19.25%**	19,30,828	19.25%
Life Insurance Corporation of India	**10,13,512**	**10.10%**	10,40,814	10.38%
Mr. Sumit Mazumder	**7,67,447**	**7.65%**	7,67,447	7.65%

15.4 Details of Shares held by Promotors / Promotor's Group

Particulars	As at 31.03.2022		As at 31.03.2021	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
Mr. Sumit Mazumder	**7,67,447**	**7.65%**	7,67,447	7.65%
Ms. Manju Mazumder	**9,200**	**0.09%**	9,200	0.09%
Ansuya Agencies Pvt. Ltd.	**1,05,500**	**1.05%**	1,05,500	1.05%
Supriya Leasing Limited	**3,58,707**	**3.58%**	3,58,707	3.58%
Mahan Exim Private Limited	**4,35,955**	**4.35%**	4,35,955	4.35%
Marbellous Trading Pvt. Ltd.	**4,57,230**	**4.56%**	4,57,230	4.56%
Arihant Merchants Private Limited	**3,18,749**	**3.18%**	3,18,749	3.18%
Sunrise Proteins Limited	**2,65,186**	**2.64%**	2,65,186	2.64%
Nachiketa Investments Co. Pvt. Ltd.	**1,97,273**	**1.97%**	1,97,273	1.97%
Salgurn Merchants Pvt. Ltd.	**2,17,223**	**2.17%**	2,17,223	2.17%
BP Commodities Pvt. Ltd.	**2,82,500**	**2.82%**	2,82,500	2.82%
Gokul Leasing and Finance Pvt. Ltd.	**2,49,000**	**2.48%**	2,49,000	2.48%
Subhmangal Tracom Pvt. Ltd.	**52,000**	**0.52%**	52,000	0.52%
The Coles Cranes Groups Ltd.	**19,30,828**	**19.25%**	19,30,828	19.25%

(All amounts in Rs Lakhs, unless otherwise stated)

16 OTHER EQUITY

	As at 31.03.2022	As at 31.03.2021
Securities Premium	**1,934**	1,934
Capital Reserve	**878**	878
Capital Redemption Reserve	**400**	400
Development Rebate Reserve	**1**	1
Amalgamation Reserve	**20**	20
General Reserve	**3,013**	3,013
Foreign Currency Translation Reserve	**2,853**	2,773
Retained Earnings	**(30,200)**	12,968
Total	**(21,101)**	21,987

16.1 Securities premium

	As at 31.03.2022	As at 31.03.2021
Balance at the beginning of the year	**1,934**	1,934
Balance at the end of the year	**1,934**	1,934

16.2 Capital Reserve

	As at 31.03.2022	As at 31.03.2021
Balance at the beginning of the year	**878**	878
Balance at the end of the year	**878**	878

16.3 Capital Redemption Reserve

	As at 31.03.2022	As at 31.03.2021
Balance at the beginning of the year	**400**	400
Balance at the end of the year	**400**	400

16.4 Development Rebate Reserve

	As at 31.03.2022	As at 31.03.2021
Balance at the beginning of the year	**1**	1
Balance at the end of the year	**1**	1

16.5 Amalgamation Reserve

	As at 31.03.2022	As at 31.03.2021
Balance at the beginning of the year	**20**	20
Balance at the end of the year	**20**	20

16.6 General Reserve

	As at 31.03.2022	As at 31.03.2021
Balance at the beginning of the year	**3,013**	3,013
Balance at the end of the year	**3,013**	3,013

16.7 Foreign Currency Translation Reserve

	As at 31.03.2022	As at 31.03.2021
Balance at the beginning of the year	**2,773**	2,839
Movement for the year	**80**	(66)
Balance at the end of the year	**2,853**	2,773

16.8 Retained earnings

	As at 31.03.2022	As at 31.03.2021
Balance at the beginning of the year	**12,968**	19,826
Movement for the year	**(43,168)**	(6,858)
Balance at the end of the year	**(30,200)**	12,968

17 BORROWINGS

A. NON-CURRENT

	As at 31.03.2022	As at 31.03.2021
Measured at Amortized Cost		
Secured Borrowings		
Term Loans		
From Banks	**1,293**	1,638
From Financial Institutions	**1,704**	2,109
Unsecured Borrowings		
Loans from related parties (Refer Note 41)	**14,763**	8,037
	17,760	11,784

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2022
(All amounts in Rs Lakhs, unless otherwise stated)

B. CURRENT

	As at 31.03.2022	As at 31.03.2021
Measured at Amortized Cost		
Current Maturities of Long - Term Debt	**1,487**	1,296
Secured		
Loan Repayable on Demand from Banks	**16,108**	20,036
Unsecured		
Other Working Capital facilities from Banks	**2,563**	3,448
Loans from related parties (Refer Note 41)	**1,066**	-
Others	**865**	557
	22,089	**25,337**

Notes

17.1 Nature of Security, Terms of repayment and Interest for Secured Borrowings

Instrument	Nature of Security	Terms of Repayments
1. Term Loan from Banks a) Guaranteed Emergency Credit Line under GECL 2.0 scheme	This scheme is launched by the Govt. Of India through Ministry of Finance and managed by and Guaranteed by National Credit Guarantee Trustee Company Limited and extension of 2nd charge over the primary & collateral securities including mortgages created in favour of the consortium banks on pari-passu basis.	GECL loan from SBI of Rs. 6.89 crores @ 7.95% interest p.a.is repayable by way of 48 equal monthly installment after moratorium period of 1 year from the date of receipt. The outstanding amount as on March 31, 2022 is Rs. 517 Lakhs (Previous Year 690 Lakhs).
		GECL loan from PNB of Rs. 5 crores @ 8.35% interest p.a. is repayable by way of 48 equal monthly installment after moratorium period of 1 year from the date of receipt. The outstanding amount as on March 31, 2022 is Rs. 373 Lakhs (Previous Year 500 Lakhs).
		GECL loan from PNB of Rs. 98 Lakhs @ 7.25% interest p.a. is repayable by way of 48 equal monthly installment after moratorium period of 2 year from the date of receipt. The outstanding amount as on March 31, 2022 is Rs. 98 Lakhs (Previous Year Rs. Nil).
		GECL loan from Union Bank of India of Rs.210 Lakhs @8.2% interest p.a. is repayable is by way of 48 equal monthly installment after moratorium period of 1 year from the date of receipt. The outstanding amount as on March 31, 2022 is Rs. 164 Lakhs (Previous Year Rs. 210 Lakhs).
		GECL loan from IDBI Bank of Rs199 Lakhs @8.8% interest p.a. is repayable by way of 48 equal monthly installment after moratorium period of 1 year from the date of receipt. The outstanding amount as on March 31, 2022 is Rs. 141 Lakhs (Previous Year Rs. 193 Lakhs).
b. Financial Assistance under CESS-2020 Scheme	Secured by extension of charge on primary and collateral securities which were given for working capital facilities to Consortium Bankers as detailed below : secured by a first pari-passu charge on entire current assets of the Company (namely stocks, trade receivables) and all other movables (both present and future) whether lying loose or in cases or which are stored in the factories, premises and godowns, situated at Kamarhatty, Kharagpur & Taratolla Unit of the Company.	CESS loan from BOI of Rs. 410 Lakhs @7.95% interest p.a. is repayable by way of 18 equal monthly installment after moratorium period of six months from the date of receipt. The outstanding amount as on March 31, 2022 is Rs. Nil (Previous Year Rs. 20 Lakhs). CESS loan from PNB of Rs. 250 Lakhs @8.25% interest p.a. is repayable by way of 18 equal monthly installment after moratorium period of six months from the date of receipt. The outstanding amount as on March 31, 2022 is Rs. Nil (Previous Year Rs. 25 Lakhs).
2. Term Loan from Financial Institutions	Secured by Hypothecation of leasehold land at Sahibabad and personal Guarantee of one of the directors amounting to Rs. 1017 Lakhs (Previous Year Rs. 480 Lakhs).	Term Loan from Tata Capital Financial Services Limited is repayable by way of 14 quarterly installments starting from June 2020 along with interest @ 11.75% per annum. 1st two installments of Rs. 104 Lakhs each next four installments of Rs. 140 Lakhs each next four installments of Rs. 200 Lakhs each next four installments of Rs. 208 Lakhs each. The outstanding amount as on March 31, 2022 is Rs. 416 Lakhs (Previous Year Rs. 1232 Lakhs).
	Secured by Hypothecation of office at Chennai located at Jhaver Plaza, 7th floor 1-A, Nungambakkam High Road Chennai-600 034	1.Term Loan from Aditya Birla Finance Limited is repayable by way of 60 equal monthly installment of Rs. 8.33 lakhs starting from April 2020 along with interest @ 12% per annum. The outstanding amount as on March 31, 2022 is Rs. 213 Lakhs (Previous Year Rs. 313 Lakhs). 2.Term Loan from Aditya Birla Finance Limited received during the year of Rs. 100 Lakhs is repayable by way of 46 equal monthly installments of Rs 2.73 Lakhs (including interest @ 11.75%) starting from 15th August, 2021. The outstanding amount as on March 31, 2022 is Rs. 62 Lakhs (Previous Year Rs. Nil).
3. Term Loan from Financial Institutions (GECL) - Guaranteed Emergency Credit Line under GECL 2.0 scheme	This scheme is launched by the Govt. Of India through Ministry of Finance and managed by and Guaranteed by National Credit Guarantee Trustee Company Limited and extension of 2nd charge over the primary & collateral securities including mortgages created in favour of the consortium banks on pari-passu basis.	GECL loan from Tata Capital Financial Services of Rs 480 Lakhs @ 11% interest p.a. is repayable by way of 48 equal monthly installment after moratorium period of 1 year from the date of receipt. The outstanding amount as on March 31, 2022 is Rs. 350 Lakhs (Previous Year Rs. 470 Lakhs).
		GECL loan from Tata Capital Financial Services of Rs 547 Lakhs @ 11% interest p.a.is repayable by way of 48 equal monthly installment after moratorium period of 2 years from the date of receipt. The outstanding amount as on March 31, 2022 is Rs. 547 Lakhs (Previous Year Rs. Nil Lakhs).
		GECL loan from Aditya Birla Finance Limited of Rs 100 Lakhs @12.5% interest p.a. is repayable by way of 48 equal monthly installment after moratorium period of 1 year from the date of receipt. The outstanding amount as on March 31, 2022 is Rs. 69 Lakhs (Previous Year Rs. 94 Lakhs).
		GECL loan from Aditya Birla Finance Limited of Rs 50 lakhs is @ 12.5% interest p.a. repayable by way of 48 equal monthly installment after moratorium period of 2 years from the date of receipt. The outstanding amount as on March 31, 2022 is Rs. 47 Lakhs (Previous Year Rs. Nil).

Instrument	Nature of Security	Terms of Repayments
4. Secured Loans - repayable on demand from banks	These loans are secured by a first pari-passu charge on entire current assets of the Company (namely stocks, trade receivables) and all other movables (both present and future) whether lying loose or in cases or which are stored in the factories, premises and godowns, situated at Kamarhatty, Kharagpur & Taratolla Unit of the Company. First pari-passu charge on movable assets including movable plant and machinery, machinery spares, tools and accessories etc. both present and future situated at Kharagpur & Taratolla. First pari-passu charge on movable assets including moveable plant and machinery, machinery spares, tools and accessories etc. both present and future situated at Kamarhatty Unit of the Company. Short term borrowings include cash credit facilities and working capital demand loans availed from four banks which are further secured by personal guarantee of one of the Directors of the Company amounting to Rs. 8654 lakhs (Previous year Rs. 7675 Lakhs).	These consist of cash credit facilities which are repayable on demand.
5. Short term Loan in TIL Overseas Pte. Ltd.	This loan is secured by the Investments in Financial Assets with Bank of Singapore	Short term Loan in TIL Overses Pte. Ltd., represents revolving short term loan taken from Bank of Singapore with interest charge @1.4% (2021 : 1.4%) per annum and repayable within the next twelve months.

17.2 **The maturity profile of Company's Secured Borrowings are as below**

	As at 31.03.2022	As at 31.03.2021
Not later than one year	**1,487**	1,299
Later than one year but not two years	**1,092**	1,505
Later than two years but not three years	**861**	1,060
More than three years	**1,044**	1,179
Total	**4,484**	**5,043**

17.3 Details of period and amount of default as on the Balance Sheet date in repayment of borrowings and interest as at March 31, 2022 is given below in the table below.

Name of the Bank/Financial Institution	Principal /Interest Due	Amount (Rs in Lakhs)	Outstanding since
Aditya Birla Finance Ltd.	Principal	24.55	15th February, 2022
	Interest	10.20	15th February, 2022
Total		**34.75**	
Bank of India	Principal	119.46	6th November, 2021
	Interest	5.80	30th November, 2021
Total		**125.26**	
Punjab National Bank	Principal	18.91	22nd February, 2022
	Interest	-	-
Total		**18.91**	
HDFC Bank	Principal	2,508.07	16th October, 2021
	Interest	79.27	1st February, 2022
Total		**2,587.34**	
Union Bank of India	Principal	-	-
	Interest	0.59	28th February, 2022
Total		**0.59**	

Further, Cash Credit facilities availed from HDFC Bank is overdrawn to the extent of Rs. 284 Lakhs as on 31.03.2022 (Previous year: NIL) w.e.f 31st October, 2021.

18 PROVISIONS

A. NON-CURRENT

	As at 31.03.2022	As at 31.03.2021
Provision for Employee Benefits		
Provision for Contribution to Provident Fund (PF)	**-**	81
Provision for Compensated Absences (Unfunded)	**512**	527
Total	**512**	608

B. CURRENT

	As at 31.03.2022	As at 31.03.2021
(a) Provision for Employee Benefits		
Provision for Contribution to Provident Fund (PF)	**-**	13
Provision for Compensated Absences (Unfunded)	**22**	40
	22	53
(b) Other Provisions		
Provision for Warranty	**17**	155
Total	**39**	208

18.1 The details in movement of other provisions are as follows

	As at 31.03.2022	As at 31.03.2021
Provision for warranty		
Balance at the beginning of the year	**155**	155
Additions during the year	**17**	54
Released to the consolidated statement of profit and loss	**(155)**	(54)
Balance at the end of the year	**17**	155

19 TRADE PAYABLE

	As at 31.03.2022	As at 31.03.2021
A) Total outstanding dues of micro enterprises and small enterprises	**382**	507
B) Total outstanding dues of Creditors other than micro enterprises and small enterprises	**8,922**	6,749
Total	**9,304**	7,256

(All amounts in Rs Lakhs, unless otherwise stated)

19.1 Ageing of Trade payable

Trade Payable ageing schedule as on March 31, 2022

Particulars	Not Due	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
(i) MSME	**-**	**324**	**48**	**10**	**-**	**382**
(ii) Others	**1,865**	**5,478**	**807**	**772**	**-**	**8,922**
(iii) Disputed Dues - MSME	**-**	**-**	**-**	**-**	**-**	**-**
(iv) Disputed Dues -Others	**-**	**-**	**-**	**-**	**-**	**-**
Total	**1,865**	**5,802**	**855**	**782**	**-**	**9,304**

Trade Payable ageing schedule as on March 31, 2021

Particulars	Not Due	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
(i) MSME	-	466	19	22	-	507
(ii) Others	1,018	4,261	1,257	207	6	6,749
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues -Others	-	-	-	-	-	-
Total	**1,018**	**4,727**	**1,276**	**229**	**6**	**7,256**

No interest is charged on the trade payables for the payments 'made within the credit period and payments are made as and when they fall due. The Group has processes in place to ensure 'that all payables are paid as per the pre-agreed credit terms.

19.2 The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises (MSME) Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Group. The disclosures relating to Micro and Small Enterprises are as below:

		As at 31.03.2022	As at 31.03.2021
(i)	Principal amount remaining unpaid to MSME suppliers as at the end of the year	**382**	507
(ii)	Interest due on unpaid principal amount to MSME suppliers as at the end of the year	**27**	75
(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	**-**	-
(iv)	The amount of interest due and payable for the year	**27**	75
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	**27**	75

20 LEASE LIABILITIES

		As at 31.03.2022	As at 31.03.2021
A	**NON-CURRENT**		
	Lease Liability	**875**	224
		875	224

		As at 31.03.2022	As at 31.03.2021
B	**CURRENT**		
	Lease Liability	**111**	39
		111	39

21 OTHER FINANCIAL LIABILITIES
CURRENT

	As at 31.03.2022	As at 31.03.2021
Interest accrued	**17**	72
Interest accrued and due on borrowings	**322**	4
Unclaimed Dividend	**7**	8
Other Financial Liabilities	**85**	-
Total	**431**	84

21.1 There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of Companies Act, 2013, as at the year end.

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2022
(All amounts in Rs Lakhs, unless otherwise stated)

22 OTHER CURRENT LIABILITIES	As at 31.03.2022	As at 31.03.2021
Capital Vendor	**44**	47
Contribution to Funds (Gratuity, Superannuation, etc.)	**1,674**	958
Security Deposit from Customers	**7**	11
Statutory Remittances	**1,639**	1,026
Advance from Customers and Others	**3,507**	3,111
Others	**83**	177
	6,954	5,330

23 REVENUE FROM OPERATIONS	Year Ended 31.03.2022	Year Ended 31.03.2021
Sale of Products		
Manufactured Goods	**2,678**	16,600
Traded Goods	**2,480**	12,820
Sale of Services	**1,358**	1,698
	6,516	31,118
Other Operating Income		
Selling Commission earned	**-**	46
Export Incentives *	**8**	87
Scrap Sales	**100**	72
	108	205
Revenue From Operations	**6,624**	31,323

* Government Grants under duty drawback scheme

24 OTHER INCOME	Year Ended 31.03.2022	Year Ended 31.03.2021
Interest income		
- On Bank Deposits at amortized cost	**106**	37
Dividend Income		
- From companies	**-**	130
Profit on Sale of Investment	**72**	1
Gain on Sale of Property, Plant and Equipment (Net)	**1**	-
Gain on Sale of Assets Held for Sale (Net)	**283**	-
Gain on Fair Valuation of Derivatives not designated as hedging instruments through Profit and Loss	**-**	3
Gain on Fair Valuation of investments carried through Profit and Loss (Net)	**5**	366
Provisions / Liabilities no longer required written back	**610**	-
Other Miscellaneous Income	**12**	191
Total	**1,089**	728

25 COST OF MATERIALS CONSUMED	Year Ended 31.03.2022	Year Ended 31.03.2021
Material Consumed	**2,098**	11,344
Total	**2,098**	11,344

		Year Ended 31.03.2022	Year Ended 31.03.2021
26	**PURCHASE OF STOCK-IN-TRADE**		
	Purchase of Traded Goods	**2,004**	10,488
	Total	**2,004**	10,488

		Year Ended 31.03.2022	Year Ended 31.03.2021
27	**CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS**		
	Inventories at the end of the year		
	Work-in-Progress	**3,437**	4,580
	Finished Goods	**-**	-
	Traded Goods	**1,940**	2,854
		5,377	7,434
	Inventories at the beginning of the year		
	Work-in-Progress	**4,580**	5,625
	Less : Written off (Refer Note No 32)	**(1,525)**	-
	Finished Goods	**-**	148
	Traded Goods	**2,854**	1,904
	Less : Written off (Refer Note No 32)	**(1,535)**	-
		4,374	7,677
	Translation difference	**1**	(9)
	Net (Increase) / Decrease	**(1,002)**	234

		Year Ended 31.03.2022	Year Ended 31.03.2021
28	**EMPLOYEE BENEFIT EXPENSES**		
	Salaries and Wages	**4,846**	4,831
	Contribution to Provident and other Funds	**440**	475
	Staff Welfare Expenses	**250**	222
	Total	**5,536**	5,528

28.1 Employee Benefits

The Group has recognized, in the Consolidated Statement of Profit and Loss for the year ended 31.03.2022 an amount of Rs. 319 Lakhs (Previous year Rs. 323 Lakhs) as expenses under defined contribution plans.

<u>Defined benefit plans</u>

(A) Gratuity Fund :-

The Group makes periodic contributions to the Tractors India Limited Staff Gratuity Fund, a funded defined benefit plan for qualifying employees administrated under a common Trust by the trustees of the said fund for the benefit of the employees of the Group.

Under the Gratuity plan, every employee is entitled to gratuity, being higher of the amount, calculated under the Group's plan (based on average salary of last 36 months and number of years of service, restricted to a maximum of 40 years) or calculations as laid down under the Payment of Gratuity Act, 1972. Gratuity is payable on death / retirement / termination and the benefit vests after 5 years of continuous service.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation was carried out as at 31st March 2022.

28.1 contd…

(B) Superannuation Fund :-

(i) Certain eligible employees of the Group who had attained at least 45 years of age as on 01.04.2009 are entitled to Superannuation benefit under the Superannuation scheme (a funded Defined Benefit Plan under a common Trust- 'Tractors India Limited Superannuation Fund Scheme', being administered by the trustees of the said fund for the benefit of employees of the Group). Under the aforesaid benefit scheme the Group makes periodic contribution to the Superannuation Fund Scheme and a predetermined percentage of salary is paid as pension on retirement. The quantum of pension depends on the average basic salary of eligible employee during the last 36 months before retirement. The benefit vests to employees with 12 years of continuous service and attainment of 48 years of age on retirement/death/termination. The most recent actuarial valuation of plan assets and present value of the Defined Benefit Obligation of Superannuation Fund was carried out as on 31.03.2022.

(ii) Employees who did not attain 45 years of age as on 01.04.2009 are under the purview of 'Defined Contribution Scheme' in respect of service rendered from 01.04.2009. The benefit of services rendered by these employees up to 31.03.2009 come under the purview of 'Defined Benefit Scheme' as indicated which is frozen as on 31.03.2009. Hence for this category of employees, the benefit of cessation of service will be :

a) amount accumulated by annual contribution of 15% of Basic Salary and

b) amount frozen as on 31.03.2009

Defined Contribution Plans

(C) Provident Fund :-

The Group has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors.

The details of fund and plan asset position as at 31st March 2022 is given below

Particulars	**Year Ended 31.03.2022**	Year Ended 31.03.2021
Present value of benefit obligation at period end (Rs in Lakhs)	**4,335**	4,341
Assumptions used in determining the present value obligation on the interest guarantee under the deterministic approach		
Guaranteed Rate	**8.10%**	8.50%
Average yield rate based on data of investment portfolio	**7.85%**	6.93%
Decrement adjusted average future period of service	**7 years**	10 years
Average maturity period of investment portfolio	**2 years**	5 years
Discount rate	**6.80%**	6.67%

Risk Management

The Defined Benefit Plans expose the Group to risk of actuarial deficit arising out of investment risk, interest rate risk and salary cost inflation risk.

(a) Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government/high quality bond yields; if the return on plan asset is below this rate, it will create a plan deficit.

(b) Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

(c) Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(d) Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation was carried out as at 31st March 2022.

(All amounts in Rs Lakhs, unless otherwise stated)

28.2 Particulars in respect of post retirement defined benefit plans of the Group are as follows

Description	Superannuation Fund (Funded)		Gratuity Fund (Funded)	
	Year ended 31.03.2022	Year ended 31.03.2021	**Year ended 31.03.2022**	Year ended 31.03.2021
1. Change in the Defined Benefit Obligation				
Present Value of Obligation at the Beginning of the Year	**436**	449	**724**	693
Current Service Cost	**-**	12	**39**	53
Interest Cost	**21**	24	**46**	43
Actuarial (Gain) / Loss	**51**	46	**48**	(7)
Benefits paid	**(74)**	(95)	**(26)**	(58)
Present Value of Obligation at the end of the Year	**434**	436	**831**	724
2. Change in Plan Assets				
Fair value of Plan Assets at the Beginning of the Year	**315**	480	**374**	406
Expected return on Plan Assets	**15**	26	**23**	25
Actuarial Gain / (Loss)	**20**	(96)	**-**	1
Contributions by the Employer	**-**	-	**-**	-
Benefits paid	**(74)**	(95)	**(26)**	(58)
Fair value of Plan Assets at the end of the Year	**276**	315	**371**	374

Basis used to determine the Expected Rate of Return on Plan Assets

The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.

Description	Superannuation Fund (Funded)		Gratuity Fund (Funded)	
	As at 31.03.2022	As at 31.03.2021	**As at 31.03.2022**	As at 31.03.2021
3. Amount recognized in Balance Sheet consists of				
Fair value of Plan Assets at the end of the Year	**276**	315	**371**	374
Present Value of Obligation at the end of the Year	**434**	436	**831**	724
(Assets) / Liabilities as per the Actuarial Valuation	**158**	121	**460**	350
4. Expenses recognized in the Statement of Profit and Loss consists of -	**Year ended 31.03.2022**	Year ended 31.03.2021	**Year ended 31.03.2022**	Year ended 31.03.2021
Employee Benefits Expenses				
Current Service Cost	**-**	12	**39**	53
Net Interest Cost	**6**	(2)	**23**	18
Total [A]	**6**	10	**62**	71
Other Comprehensive Income				
Return on Plan Assets (excluding amounts included in net interest cost)	**(20)**	95	**(14)**	(1)
Actuarial (Gain) / Loss from financial assumptions	**(20)**	19	**-**	1
Actuarial (Gain) / Loss from experience adjustments	**71**	26	**62**	(9)
Total [B]	**31**	140	**48**	(9)
Expense recognized during the year [A+B]	**37**	150	**110**	62

The expense for the Defined Benefits (referred to in para 28.2 above) are included in the line item under 'Contribution to Provident and other Funds' .

(All amounts in Rs Lakhs, unless otherwise stated)

28.2 **Contd…**

Particulars in respect of post retirement defined benefit plans of the Group are as follows :

Description	**Superannuation Fund % Invested**		**Gratuity Fund % Invested**	
5. Investment Details of Plan Assets as at	**31.03.2022**	31.03.2021	**31.03.2022**	31.03.2021
Government of India Securities	**0.67**	0.63	**4.55**	4.08
Public Sector (PSU) Bonds	**26.75**	25.02	**9.10**	8.17
State / Central Government Securities	**23.42**	21.90	**11.07**	9.94
Special Deposit Scheme	**42.37**	39.62	**68.38**	61.38
Others including Bank Balance	**6.79**	12.83	**6.90**	16.43
Total	**100.00**	100.00	**100.00**	100.00
6. Assumptions				
Discount rate per annum	**6.30%**	5.26%	**6.80%**	6.46%
Salary escalation rate per annum	**0.00%**	3.00%	**3.00%**	3.00%
Expected rate of return on Plan Assets per annum	**4.95%**	6.46%	**6.27%**	6.27%
Contributions for next year	**157.73**	130.85	**200.95**	423.20
Method used	Projected Unit Credit Method		Projected Unit Credit Method	

28.3 The basis used to determine overall expected rate of return on assets and the effect on major categories of Plan Assets is as follows :

The major portions of the assets are invested in PSU Bonds, State and Central Government Securities. Based on the asset allocation and prevailing yield rates on these asset classes, the long term estimate of the expected rate of return on the fund assets have been arrived at. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching Government Bonds.

28.4 The estimate of future salary increases take into account inflation, seniority, promotion and other relevant reasons.

28.5 **Sensitivity Analysis**

The Sensitivity Analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the Defined Benefit Obligation has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.

	Year ended 31.03.2022		Year ended 31.03.2021	
	Superannuation Fund	**Gratuity Fund**	Superannuation Fund	Gratuity Fund
1. Discount Rate + 100 basis points	**425.22**	**791.83**	422.68	677.98
2. Discount Rate - 100 basis points	**442.35**	**874.64**	450.28	776.81
3. Salary Increase Rate + 1%	**433.49**	**875.04**	435.72	777.76
4. Salary Increase Rate – 1%	**433.49**	**790.89**	436.28	676.08

28.6 **Maturity Analysis of The Benefit Payments**

	Year ended 31.03.2022		Year ended 31.03.2021	
	Superannuation Fund	**Gratuity Fund**	Superannuation Fund	Gratuity Fund
1. Year 1	**252.82**	**200.95**	223.01	64.78
2. Year 2	**18.15**	**131.64**	32.50	140.36
3. Year 3	**21.99**	**39.56**	17.90	16.52
4. Year 4	**43.12**	**88.50**	34.78	47.61
5. Year 5	**1.39**	**36.51**	38.74	69.15
6. Next 5 Years	**152.43**	**504.11**	162.64	298.23

			Year Ended 31.03.2022	Year Ended 31.03.2021
29	**FINANCE COST**			
	On Financial Liability at amortized cost			
	Interest Expenses on:			
	Long Term Loans		**450**	353
	Cash Credits and Short Term Loans		**2,725**	2,543
	Lease		**34**	30
	Others		**154**	242
	Other Borrowing Costs		**257**	297
		Total	**3,620**	3,465

			Year Ended 31.03.2022	Year Ended 31.03.2021
30	**DEPRECIATION AND AMORTIZATION EXPENSES**			
	Depreciation of Property, Plant and Equipment		**887**	977
	Amortization of Right-of use assets		**47**	94
	Amortization of Intangible Assets		**61**	116
		Total	**995**	1,187

			Year Ended 31.03.2022	Year Ended 31.03.2021
31	**OTHER EXPENSES**			
	Consumption of Consumables		**247**	440
	Power and Fuel		**239**	258
	Rent Expenses		**60**	227
	Repairs and Maintenance			
	Buildings		**55**	67
	Plant and Machinery		**206**	223
	Others		**7**	11
			268	301
	Insurance		**84**	80
	Rates and Taxes		**337**	35
	Bank Charges		**138**	330
	Travelling Expenses		**159**	149
	Printing and Stationery		**24**	32
	Freight and Forwarding Charges		**270**	159
	Postage, Telephone and other Communication Expenses		**44**	56
	Advertising		**8**	15
	Sales Commission		**20**	7
	Royalty Expenses		**-**	49
	Professional Fees		**423**	1,031
	Motor Vehicle Expenses		**41**	28
	Bad Debts written off		**12,060**	-
	Less : Provision		**(6,119)**	-
	Add : Other provisions for Advances / Claims and Others		**94**	-
			6,035	3,574
	Provision for Detention Charges		**1,277**	-
	Warranty Expenses		**25**	54
	Net loss on foreign currency transactions and translation		**77**	60
	Net loss on Fair Valuation of Investments through Profit and Loss (Net)		**1**	-
	Loss on Fair Valuation of Derivatives not designated as Hedging Instruments carried through Profit and Loss		**3**	-
	Loss on Modification / Termination on Lease Assets		**275**	-
	Net Loss on property, plant and equipments Sold		**-**	5
	Miscellaneous Expenses		**270**	280
		Total	**10,325**	7,170

31.1	Professional Fees include :		
	Payment to auditors		
	- For Audit	**45**	35
	- For Taxation Matters	**-**	4
	- For Limited Reviews (includes Rs. 5 Lakhs pertaining to erstwhile auditor)	**14**	14
	- For Certification Fees	**-**	2
	- Expenses Reimbursed	**-**	1

32 EXCEPTIONAL ITEMS	Year Ended 31.03.2022	Year Ended 31.03.2021
Inventory Written Off and including Provision	14,409	-
Trade Receivables Written Off	8,347	-
Advance to Suppliers Written off	1,400	-
Provision for Advance to Suppliers	1,832	-
Other Liability Written Back	(35)	-
Profit on Sale of Assets held for sale	-	224
TOTAL	25,953	224

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 Parent Company vide their letter dated 31st March 2022. Based on above letter, the management of the Parent Company initiated an internal inquiry and one of the shareholders, being a promoter Company, appointed a firm of Chartered Accountants for carrying out a management audit on the financial statements for the financial year 2019-20 & 2020-21. The Parent Company further also sought extension of time from the SEBI for the delay in submission of its audited financial results for the year ended 31st March 2022 vide its letter dated May 23rd, 2022.

Based on the findings of the Management audit report, as stated above, and also considered by the Board of Directors in its meeting held on 13th September 2022, certain accounting adjustments have been carried out during the year ended 31st March 2022 to rectify those accounting mistakes/ misstatements made in the books of accounts in the previous financial years. The cumulative impact of those rectifications/ adjustments has been shown as “Exceptional Item” in the statement of Profit & Loss.

“Exceptional Item" as stated above represents the following accounting adjustments carried during the year ended March 2022.

A. In earlier years, loans amounting to Rs. 3276 Lakhs & Rs. 1200 Lakhs were received from the promoters/ promoters group of companies and other lenders respectively which was wrongly credited to Inventories account instead of respective loan accounts. The same has been rectified by reinstating the respective loan accounts and inventory. The amount of inventory as reinstated above has been written off subsequently and shown as the exceptional item. Further certain loans amounting to Rs. 35 lakhs as reinstated above has also been written back and grouped under exceptional item.

B. Based on the findings of the Management audit report, a difference of Rs. 11109 lakhs have been identified between the Inventory as shown in books of accounts and the inventory appearing in Material module in the ERP system as on 31st March 2022. Such difference comprises of Rs. 4476 lakhs as mentioned in the point no. A above and further difference of Rs. 6633 Lakhs owing to certain wrong accounting carried out. Hence such balances have been written off during the year to reflect the correct position of Inventory as on the Balance Sheet date.

C. During the year the management has also engaged an external party to physically verify its inventory and also to make a value assessment of inventory lying physically. Based on the findings of the surveyor’s report (covering 59% of Inventory lying as on 28th February 2022 for the verification & value assessment), a sum of Rs. 3299 Lakhs (including Rs. 282 lakhs based on internal assessment) has been written off/ provided for and also shown as exceptional item. The management does not expect any further shortages or obsolescence in the balance 41% inventory not covered in the surveyor’s report and hence, in the opinion of the management, no further provision is considered necessary.

D. The Parent Company had raised certain wrong sales invoices in earlier years. Trade receivables amounting to Rs. 14394 lakh against such invoices as identified by the management auditors and further Rs. 2980 lakhs as identified by the management have been classified as irrecoverable. Further based on management’s internal assessment on the recoverability of other trade receivables, additional balances amounting to Rs. 2923 Lakhs have also been identified as irrecoverable. Hence a sum of Rs. 8347 Lakhs (net of Rs 5830 Lakhs of further provision during the year and utilisation of Rs. 6119 Lakhs out of provision made in earlier years) have been written off and shown as exceptional item. The management is confident of recovery of outstanding trade receivable shown in the balance sheet as at March 31st, 2022.

E. The Parent Company has been engaged into certain trading activities since financial year 2019-2020 and has been complying with all the requisite rules & regulations including “The Goods & Services Tax Act 2017”. During the first quarter ended 30th June 2021, certain bills of exchange were accepted by certain employees without receipt of supplies and the banks later recovered the money from the Parent Company which has been debited to suppliers’ accounts and shown as advances. Consequently, such advances to the tune of Rs. 3232 Lakhs could not be recovered and hence a sum of Rs. 1400 Lakhs has been written off and balance amount of Rs. 1832 Lakhs has been provided for as an abundant precaution and shown as exceptional item. The Parent Company has sent several notices for the recovery of such payments and is in the process of initiating legal course of action. Further, an enquiry by “Directorate of Revenue Intelligence & Enforcement” (DRI) has also been ongoing since June 2021 in respect to sales/purchase transactions entered into by the Parent Company with these vendors and the matter is pending with DRI. The Parent Company does not foresee any additional liability in this regard.

The Parent Company’s Board of Directors has initiated necessary steps to further strengthen the Internal financial controls of the Group Company and to ensure the maintenance of adequate accounting records for safeguarding of the assets of the Group Company and for preventing and detecting frauds and other irregularities.

F. Exceptional item in the previous year represents gain of Rs. 224 lakhs towards sale of a property, registered and owned by the Parent Company, admeasuring 4636 square feet carpet area, situated at Unit No. 502-A. 5th Floor, Western Edge Tower No.1, Dutta Para Road, Borivali (East), during financial year 2020-2021.

33 As per the Indian Accounting Standard -8, “Accounting Policies, Changes in Accounting Estimates and Errors”, which prescribe that the material prior period errors are to be corrected retrospectively by restating the comparative amounts for prior period(s) presented in which the error occurred. Further If the error occurred before the earliest period presented, the opening balance of assets, liabilities and equity/retained earnings for the earliest period presented is required to be adjusted. However considering the provision of sections 130 & 131 of the Companies Act 2013, requiring prior approval of “National Company Law Appellate Tribunal” for recasting of earlier period financial statements, the Parent Company has carried out the required accounting adjustments in the current financial year ended 31st March 2022 as exceptional items and disclose the adjustment made by way of notes to the financial statement for the said financial year.

34 During the year, the Parent Company has incurred a loss of Rs. 41699 lakhs (including adjustments as stated above) and its net worth has become negative as on the Balance Sheet date. Further, the Parent Company's current liabilities exceeded its current assets by Rs. 17835 lakhs as at the balance sheet date. The Parent Company's lenders have declared the loans facilities granted to the Parent Company as Non-Performing Asset (NPA) and the Parent Company has also received advance notice for application under the Insolvency and Bankruptcy Code 2016 from one of the lender on August 12 2022. The above situation indicates that a material uncertainty exists that may cast significant doubt on the Parent Company’s ability to continue as a going concern. However, the management of the Parent Company has been considering the feasibility and effectiveness of the certain planned actions 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 statements have been prepared on a going concern basis.

35 The Parent 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 15829 lakhs as required under Ind AS-109 and its impact on Standalone financial statements has not been ascertained.

36 Trade receivables, Advances to Suppliers, Trade Payable and Advances from customers amounting to Rs. 2610 lakhs, Rs. 1008 lakhs, Rs. 9284 lakhs and Rs. 3873 lakhs respectively was outstanding as on the Balance Sheet date. The Parent Company could not get necessary confirmations from the respective parties due to the prevailing situation of the Parent Company.
Further, the Parent Company could not get confirmations for Bank Guarantees and Letter of credit issued by Banks to extent of Rs. 2197 lakhs and Rs.154 Lakhs respectively and also confirmations for Loans from bodies corporate to extent of Rs.265 Lakhs.
However, the Parent Company doesn't foresee any material financial impact on its financial statements due to such non-confirmation.

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2022
(All amounts in Rs Lakhs, unless otherwise stated)

		As at 31.03.2022	As at 31.03.2021
37.1	**Contingent Liabilities in respect of**		
a.	Sales Tax / Value Added Tax Matters under dispute [Related payments Rs. Nil Lakhs (31.03.2021: Rs. 200 Lakhs)]	**2,192**	3,508
b.	Income Tax Matters under dispute [Related payments (including amounts adjusted by the Department) Rs. 268 Lakhs (31.03.2021: Rs. 256 Lakhs)]	**2,109**	267
c.	Service Tax Matters under dispute [Related payments Rs. 26 Lakhs (31.03.2021: Rs. 26 Lakhs)]	**667**	667
d.	Bank Guarantee Outstanding	**5,545**	5,643

		As at 31.03.2022	As at 31.03.2021
37.2	**Capital and other commitments**		
	Capital commitments	**-**	-
	Other commitments	**-**	-

Future cash outflows in respect of the above matters are determinable only on receipts of judgments / decisions pending at various forums / authorities. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and result of operations.

37.3 Pursuant to final Order passed by the Single Bench of Hon'ble Calcutta High Court, the Group has stopped paying Tax on procurement of Indigenous and Imported Goods into West Bengal, with effect from 1st June, 2013. The writ petition No. 922 of 2012 filed by the Parent Company has been treated as disposed of in the High Court and the records thereof have been sent to the WB Taxation Tribunal. The Parent Company has filed a petition before the West Bengal Taxation Tribunal. The related unpaid amount till 31st March 2022 is Rs. 632 Lakhs (31.03.2021 : Rs. 632 Lakhs)

38 Information given in accordance with the requirements of Ind AS 108 on Segment Reporting

The operations of the Group pertains only to Material Handling Solutions (i.e. manufacturing and marketing of various Material Handling Equipments namely Mobile Cranes, Port Equipments, Self Loading Truck Cranes, Road Construction Equipments, etc. and dealing in spares and providing services to related equipments). Further, the Group's principal geographical area of operations is within India. Accordingly, the Group has only one reportable segment as envisaged in Ind AS 108 on 'Segment Reporting' and information pertaining to segment is not applicable for the Group.

38.1 Geographical Information

	Year Ended 31.03.2022	Year Ended 31.03.2021
1. Revenue from Operation		
- India	**6,024**	30,255
- Outside India	**492**	863
Total	**6,516**	31,118

	As at Ended	As at Ended
2. Non-Current Assets *		
- India	**15,735**	17,222
- Outside India	**-**	-
Total	**15,735**	17,222

* Excludes Financial Instruments and Deferred Tax Assets

(All amounts in Rs Lakhs, unless otherwise stated)

39 Capital Management

The Group aims at maintaining a strong capital base maximizing shareholders' wealth safeguarding business continuity and augments its internal generations with a judicious use of borrowing facilities to fund spikes in working capital that arise from time to time as well as requirements to finance business growth.

The Group determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through cash generated from operations, long term and short term borrowings from banks and financial institutions. On requirement, the Group also borrows from related and other parties to meet its financial needs.

The capital structure of the Group consists of net debt (borrowings as detailed in note 17 offset by cash and cash equivalents in note 14-A and other bank balances in note 14-B and deposits with banks including earmarked balances in note 9A) and total equity of the Group.

Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances (including non-current earmarked balances).

The table below summarises the capital, net debt and net debt to equity ratio of the Group.

	As at 31.03.2022	As at 31.03.2021
Equity Share Capital	**1,003**	1,003
Other Equity	**(21,101)**	21,987
Total Equity (A)	**(20,098)**	22,990
Non Current Borrowings	**17,760**	11,784
Short Term Borrowings	**20,602**	24,041
Current Maturities of Long Term Borrowings	**1,487**	1,296
Gross Debts (B)	**39,849**	37,121
Total Capital (A+B)	**19,751**	60,111
Gross Debt as above	**39,849**	37,121
Less: Current investment	**98**	3,517
Less: Cash and Cash Equivalents	**97**	46
Less: Other Balances with Bank (including non-current fixed deposits including earmarked balances)	**882**	925
Net Debt (C)	**38,772**	32,633
Net Debt to Equity *	**26.81**	1.23

* Net debt to equity as at 31.03.2022 and 31.03.2021 has been computed based on average total Equity.

40 This section gives an overview of the significance of financial instruments for the group and provides additional information on balance sheet items that contain financial instruments.
The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized in respect of each class of Financial asset, Financial liability and Equity Instrument are disclosed in Note 2.11 to the consolidated financial statements.

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2022
(All amounts in Rs Lakhs, unless otherwise stated)

A) <u>Categories of Financial Instruments</u>

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments:

Particulars	As at 31.03.2022		As at 31.03.2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
a) Measured at Amortized Cost				
i) Cash and Cash Equivalents	**97**	**97**	46	46
ii) Other Bank Balances	**364**	**364**	514	514
iii) Trade Receivables	**2,610**	**2,610**	23,823	23,823
iv) Other Financial Assets	**848**	**848**	1,074	1,074
Sub-total	**3,919**	**3,919**	**25,457**	**25,457**
b) Measured at Fair Value through Profit or Loss				
i) Investment in Equity Shares	**8**	**8**	9	9
ii) Investment in Mutual Fund	**90**	**90**	198	198
iii) Investment in Bond	**-**	**-**	3,310	3,310
iv) Derivative Instruments not designated as Hedging Instruments	**-**	**-**	3	3
Sub-total	**98**	**98**	3,520	3,520
Total Financial Assets	**4,017**	**4,017**	**28,977**	**28,977**
Financial Liabilities				
a) Measured at Amortized Cost				
i) Borrowings	**39,849**	**39,849**	37,121	37,121
ii) Trade Payables	**9,304**	**9,304**	7,256	7,256
iii) Other Financial Liabilities	**431**	**431**	84	84
Sub-total	**49,584**	**49,584**	**44,461**	**44,461**
Total Financial Liabilities	**49,584**	**49,584**	**44,461**	**44,461**

The management assessed that cash and cash equivalents, trade receivables, trade payables, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of loans from banks, trade payables and other financial liabilities, as well as other non-current financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments are also responsive to a probable change within reason, in the growth rates. Management regularly assesses a range of alternatives that are more than remote but less than likely occurrences for those significant unobservable inputs and determines their impact on the total fair value.

The fair values of the Group's interest-bearing borrowings and loans are determined by using Discounted Cash flow Method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

B) Financial risk management objectives

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group continues to focus on a system-based approach to business risk management. The Group's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management System rests on policies and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

(All amounts in Rs Lakhs, unless otherwise stated)

a) Market risk

The Group's Financial Instruments are exposed to market changes. The Group is exposed to the following significant market risk:

Foreign Currency Risk
Interest Rate Risk
Other Price Risk

Market Risk Exposures are measured using sensitivity analysis. There has been no change to the Group's exposure to market risks or the manner in which these risks are being managed and measured.

Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:
Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, and includes derivative contracts.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Particulars	As at 31.03.2022			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in Equity Shares	**8**	**-**	**-**	**8**
Investment in Mutual Funds	**90**	**-**	**-**	**90**
	98	**-**	**-**	**98**

Particulars	As at 31.03.2021			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in Equity Shares	9	-	-	9
Derivative Instruments not designated as Hedging Instruments	-	3	-	3
Investment in Mutual Funds	198	-	-	198
Investment in Bonds	3,310	-	-	3,310
	3,517	**3**	**-**	**3,520**

Foreign currency risk

The Group undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and reinstatement risks arising from recognized assets and liabilities, including the Company's net investments in foreign operations (with a functional currency other than Indian Rupee) which are not in the Company's functional currency (Indian Rupees). A significant portion of these transactions are in US Dollar, Euro, etc. Each entity comprising the Group manages its own currency risk. The carrying amount of foreign currency denominated financial assets and liabilities including derivative contracts of the parent Company, are as follows:

(All amounts in Rs Lakhs, unless otherwise stated)

As at 31.03.2022	USD	Euro	Others#	Total
Financial Assets	**6**	**329**	**-**	**335**
Financial Liabilities	**560**	**1,284**	**37**	**1,881**
As at 31.03.2021	**USD**	**Euro**	**Others#**	**Total**
Financial Assets	30	620	-	650
Financial Liabilities	527	1,846	35	2,408

Others primarily include GBP-Great Britain Pound, SGD-Singapore Dollar and SEK-Swedish Krona

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions.

The Group enters into foreign exchange forward contracts with the intention to reduce the foreign exchange risk of expected sales and purchases, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

Particulars	As at 31.03.2022	As at 31.03.2021
Forward contract (Buy USD)	**-**	-
Forward contract (Sale USD)	**-**	-
Forward contract (Buy EUR)	**-**	250
Forward contract (Sale EUR)	**-**	-

Un-hedged Foreign Currency balances:		As at 31.03.2022	As at 31.03.2021
(i) Financial Liabilities:	USD	**560**	527
	EUR	**1,284**	1,596
	Others#	**37**	35
(ii) Financial Assets	USD	**6**	30
	EUR	**329**	620

Others primarily include GBP-Great Britain Pound, SGD-Singapore Dollar and SEK-Swedish Krona

Foreign currency sensitivity

Foreign Currency Sensitivities for unhedged exposure (impact on increase in 2%)

	As at 31.03.2022	As at 31.03.2021
USD	(11)	(10)
EUR	(19)	(20)
Others#	(1)	(1)

Others primarily include GBP-Great Britain Pound, SGD-Singapore Dollar and SEK-Swedish Krona

Note: If the rate is decreased by 2%, profit of the Group will increase by an equal amount.
Figures in brackets indicate decrease in profit.

Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The objectives of the Group's interest rate risk management processes are to lessen the impact of adverse interest rate movements on its earnings and cash flows and to minimise counter party risks. All the borrowings availed by the Group have a fixed interest rate throughout the respective financial year. Further, the Group operates with banks having superior credit rating in the market.

Interest Rate Sensitivities for outstanding exposure

	As at 31.03.2022	As at 31.03.2021
INR	*	*
EURO	*	*
USD	*	*

* All the borrowings availed by the Group have a fixed interest rate throughout the respective financial year. Considering the same, no interest rate sensitivity arises and there is no impact of the same on the financial statements of the Group.

Price risk

Equity price risk is related to change in market reference price of investments in equity securities, bonds and mutual funds held by the Group. The fair value of quoted investments held by the Group exposes the Group to market price risks. In general, these investments are not held for trading purposes. The fair value of quoted investments in equity, bonds and mutual funds are classified as fair value through Profit & Loss as at 31 March 2022 is Rs. 98 Lakhs (31.03.2021 : Rs. 3517 Lakhs)

b) Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting its obligations. The Group mitigates its liquidity risks by ensuring timely collections of its trade receivables, close monitoring of its credit cycle and ensuring optimal movements of its inventories. The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

		As at 31.03.2022		As at 31.03.2021	
		Current	Non-Current	Current	Non-Current
A.	Financial Assets				
	i) Cash and Cash Equivalents	97	-	46	-
	ii) Other Bank Balances	364	529	514	411
	iii) Trade Receivables	2,610	-	23,823	-
	iv) Other Financial Assets	266	53	404	249
	v) Investment in Equity Shares	8	-	9	-
	vi) Investment in Mutual Funds	90	-	198	-
	vii) Investment in Bonds	-	-	3,310	-
	viii) Derivative Instruments not designated as Hedging Instruments	-	-	3	-
	Total	**3,435**	**582**	**28,307**	**660**
B.	Financial Liabilities				
	i) Borrowings	22,089	17,760	25,337	11,784
	ii) Trade Payables	9,304	-	7,256	-
	iii) Other Financial Liabilities	431	-	84	-
	Total	**31,824**	**17,760**	**32,677**	**11,784**

The management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

c) Credit risk

Credit risk is the risk that counter party will not meet its obligations leading to a financial loss. The Group has its policies to limit its exposure to credit risk arising from outstanding receivables. Management regularly assess the credit quality of its customers, on the basis which the terms of payment are decided. Credit limits are set for each customer which are reviewed at periodic intervals.

	As at 31.03.2022	As at 31.03.2021
Opening Balance	7,166	6,325
Add: Provisions made	5,831	3,545
Less: Utilisation made for impairment / derecognition	(11,950)	(2,704)
Closing Balance	**1,047**	**7,166**

(All amounts in Rs Lakhs, unless otherwise stated)

41 Related Party Disclosures

I) List of Related Parties

Key Management Personnel

Mr. Sumit Mazumder (Chairman & Managing Director)
Mrs. Bipasha Banerjea (Chief Financial Officer) $
Mr. Ratanlal Gaggar (Independent director)***
Mr. Gaurav Swarup (Independent director)***
Mrs. Manju Mazumder (Non Executive Director)
Mr. Debkumar Banerjee (Nominee of LIC)****
Dr. T. Mukherjee (Independent Director)**
Ms. Veena Hingarh (Independent Director)**
Mr. Sekhar Bhattacharjee (Company Secretary)
Mr. Rajiv Kumar Soni (Chief Executive Officer) *
Mr. Shibaditya Ghosh (Chief Financial Officer) #
Mr. Subir Bhattacharyya (Independent Director, w.e.f 13th September, 2022)
Mr. Tulsi Das Banerjee (Independent Director, w.e.f 13th September, 2022)

$ Appointed since 12th August 2021.
* Resigned since 9th November 2021.
# Resigned since 31st May 2021.
**Resigned on 10th February, 2022
***Resigned on 13th September, 2022
****Resigned on 31st July, 2022

Enterprises over which Key Management Personnel are able to exercise significant influence

TIL Welfare Trust
Gokul Leasing and Finance Private Limited
Arihant Merchants Limited
Mahan Eximp Limited
Supriya Leasing Limited
Sunrise Proteins Ltd.
Nachiketa Investments Company
Salgurn Merchants Pvt. Ltd.
B. P. Commodities Pvt. Ltd.
Marbellous Trading Pvt. Ltd.

II) Particulars of transactions during the year ended 31st March 2022

Particulars	**Year Ended 31.03.2022**	Year Ended 31.03.2021
a) Loans and advance from Key Management Personnel / Associated Company / Others		
Loan From Director (Net of Repayment) (Also Refer Note 32A of exceptional items)	**5,231**	6,472
Loan from Associated Company (Net of Repayment)	**1,495**	515
Loan from TIL Welfare Trust (Net of Repayment)	**1,066**	-
b) Managerial Remuneration to Key Management Personnel		
Short Term Benefits	**322**	191
Post Employment Benefits	**9**	8
Other Long Term Benefits	**13**	12
c) Year end balance		
1) Loan and interest from CMD and Other Related Parties		
Loan From Director	**12,355**	7,124
Loan from Other Related Parties	**3,478**	917
2) Payables to Key Management Personnel		
Short Term Benefits	**118**	3

III) Terms and conditions of transactions with related parties

a) The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.

b) The amounts outstanding are unsecured and will be settled in cash and cash equivalent. No guarantees have been given or received.

c) The remuneration of directors is determined by the Nominations & Remuneration Committee having regard to the performance of individuals and market trends.

IV) In respect of the above parties, there is no provision for doubtful debts as on March 31,2022 and no amount has been written off or written back during the year in respect of debt due from/to them.

V) The above related party information is as identified by the management.

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2022
(All amounts in Rs Lakhs, unless otherwise stated)

42 Additional disclosures relating to the requirement of revised Schedule III

42.1 Loans or advances (repayable on demand or without specifying any terms or period of repayment) to specified persons

During the year ended March 31, 2022 the Group did not provide any Loans or advances which remains outstanding (repayable on demand or without specifying any terms or period of repayment) to specified persons (Nil as on March 31, 2021).

42.2 Relationship with Struck off Companies

The Group did not have any transaction with companies struck off during the year ended March 31, 2022 and also for the year ended March 31, 2021.

42.3 Details of Crypto Currency or Virtual Currency

The Group has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2022 and March 31, 2021.

42.4 Utilisation of Borrowed Fund & Share Premium

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

The Group has not advanced or lent or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

42.5 The quarterly returns or statements of current assets filed by the parent Company with the banks are in agreement with the books of accounts, except are as under:

Quarter	Name of the Bank	Particulars	Amount as per books of account (In lakhs)	Amount reported in quarterly return/statement (In lakhs)	Difference (Rs. in lakhs)	Reason for material discrepancy
June'20	All Consortium Banks	Inventories	23,195	24,484	(1,289)	The difference are on account of numbers reported to the banks based on the provisional quarterly accounts.
		Trade Receivables	28,333	28,619	(286)	
September'20	All Consortium Banks	Inventories	20,688	21,811	(1,123)	
		Trade Receivables	27,659	27,691	(32)	
December'20	All Consortium Banks	Inventories	19,042	24,077	(5,035)	
		Trade Receivables	31,631	31,592	39	
March'21	All Consortium Banks	Inventories	21,716	24,369	(2,653)	
		Trade Receivables	31,017	30,992	25	
June'21	All Consortium Banks	Inventories	23,031	27,014	(3,983)	
		Trade Receivables	24,688	24,645	43	
September'21	All Consortium Banks	Inventories	26,001	26,937	(936)	
		Trade Receivables	21,935	21,745	190	
December'21	All Consortium Banks	Inventories	26,269	26,222	47	
		Trade Receivables	20,827	20,229	598	
March'22	All Consortium Banks	Inventories	16,457	15,953	504	
		Trade Receivables	3,654	4,105	(451)	

The figures of Trade Receivable and Inventory as disclosed above for all the quarters except for the quarter March'22 are before the accounting adjustments as suggested in the Management Audit Report and hence doesn't represent the correct picture and consequently the comparison doesn't also reflect the actual picture.

42.6 The Group has not been declared as a wilful defaulter by any Banks or Financial Institutions or any other Lender.

42.7 The Group has used the borrowings from Banks and financial institutions for the specific purpose for which it was obtained.

42.8 There are no registration / satisfaction of charges pending with registrar of companies beyond the statutory period as on the balance sheet date, except as follows:

Sr. No.	Charge ID	Name of Chargeholder	Date of Creation	Date of Satisfaction	Amount (in lakhs)
1	100407926	Bank of India	25-01-2021	-	818
2	100350315	State Bank of India	06-07-2020	-	300
3	100225971	Union Bank of India	19-12-2018	-	250
4	80009601	Indian Overseas Bank	07-02-2005	-	2,100

Further in many cases fresh charges were created in the past by the various banks wherever the existing working capital limits were enhanced, however in those cases previous charges were not satisfied. The Group is of the opinion that filing of non- satisfaction in those cases is not a non-compliance.

43

Name of the entity	Net Assets		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As a % of Net Asset	Amount (Rs. in Lakh)	As a % of Profit or Loss	Amount (Rs. in Lakh)	As a % of OCL	Amount (Rs. in Lakh)	As a % of TCI	Amount (Rs. in Lakh)
Parent:								
TIL Limited								
31.03.2022	**101%**	**(20,306)**	**97%**	**(41,648)**	**-176%**	**(51)**	**97%**	**(41,699)**
31.03.2021	93%	21,393	98%	(6,702)	13%	(10)	97%	(6,712)
Subsidiary:								
TIL Overseas Pte. Ltd.								
31.03.2022	**-3%**	**537**	**0%**	**15**	**276%**	**80**	**0%**	**95**
31.03.2021	9%	1,974	0%	31	87%	(66)	1%	(35)
Consolidation adjustment								
31.03.2022	**2%**	**(329)**	**3%**	**(1,484)**	**0%**	**-**	**3%**	**(1,484)**
31.03.2021	-2%	(377)	3%	(177)	0%	-	3%	(177)
Total								
31.03.2022	**100%**	**(20,098)**	**100%**	**(43,117)**	**100%**	**29**	**100%**	**(43,088)**
31.03.2021	100%	22,990	100%	(6,848)	100%	(76)	100%	(6,924)

44 Earnings Per Share (EPS) - The Numerators And Denominators Used To Calculate Basic And Diluted EPS

			Year Ended 31.03.2022	Year Ended 31.03.2021
	Profit after Tax attributable to the Equity Shareholders (Rs. in Lakhs)	**A**	**(43,117)**	(6,848)
	Basic and Diluted			
i.	Number of Equity Shares at the beginning of the year		**1,00,30,265**	1,00,30,265
ii.	Number of Equity Shares issued during the year		**-**	-
iii.	Number of Equity Shares at the end of the year		**1,00,30,265**	1,00,30,265
iv.	Weighted average number of Equity Shares outstanding during the year	**B**	**1,00,30,265**	1,00,30,265
v.	Nominal Value of each Equity Share (Rs.)		**10**	10
	Basic and Diluted Earnings per Share (Rs.)	**A/B**	**(429.87)**	(68.27)

45 COVID-19 pandemic has Impacted businesses globally. The Group's manufacturing operations remained shut during the initial phase of lockdown. Subsequent to Financial Year 2019-20 and 2020-21, pursuant to several relaxations granted by the Government of India, Group's facilities were gradually reopened following government advisories and local government directives with regard to workplaces. The Group is actively monitoring its various business activities and its related Impact on account of this pandemic. In assessing the recoverability of its assets including receivables, inventory and obligation towards liabilities, the Group has considered internal and external information upto the date of approval of these financial statements including economic forecasts. The Group has performed analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets and settle its liabilities. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

46 The Central Government has published The Code on Social Security, 2020 and Industrial Relations Code, 2020 ("the Codes") in the Gazette of India, inter alia, subsuming various existing labour and industrial laws which deals with employees related benefits including post - employment. The effective date of the code and the rules are yet to be notified. The impact of the legislative changes, if any, will be assessed and recognised post notification of the relevant provisions.

47 The Consolidated Financial Statements were approved by the Board of Directors on 19th September, 2022.

48 The previous year's figures have been regrouped / reclassified wherever necessary to confirm with current period's classification in order to comply with amended Schedule III of the Companies Act, 2013, effective from April, 01, 2021.

Signatures to Notes '1' to '48'

In terms of our report of even date attached

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

For and on behalf of the Board of Directors of
TIL Limited

Rajiv Singhi
Partner
Membership No. 053518

Sumit Mazumder
Chairman & Managing Director
(DIN:00116654)

Kolkata
19th September 2022

Bipasha Banerjea
Chief Financial Officer

Sekhar Bhattacharjee
Company Secretary

Deloitte Haskins & Sells

Chartered Accountants
13th & 14th Floor
Building-Omega
Bengal Intelligent Park
Block-EP & GP, Sector-V
Salt Lake Electronics Complex
Kolkata-700 091

Tel: +91 336 6121 1000
Fax: +91 336 6121 1001

INDEPENDENT AUDITOR'S REPORT

To The Members of TIL LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **TIL LIMITED** ("the Parent") and its subsidiary, (the Parent and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Loss), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the other auditor on separate financial statements of the subsidiary referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, and their consolidated loss, their consolidated total comprehensive loss, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their reports referred to in the sub-paragraphs (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. We

Deloitte Haskins & Sells Chartered Accountants

Deloitte
Haskins & Sells

have determined that there are no key audit matters to communicate in our report

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the Director's Report, but does not include the consolidated financial statements our auditor's report thereon.

- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiary audited by the other auditor, to the extent it relates to the entity and, in doing so, place reliance on the work of the other auditor and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary, is traced from their financial statements audited by the other auditor.

- If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive loss, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Deloitte Haskins & Sells Chartered Accountants

**Deloitte
Haskins & Sells**

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by the other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Deloitte Haskins & Sells Chartered Accountants

Deloitte
Haskins & Sells

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of 1 (one) subsidiary, whose financial statements reflect total assets of Rs. 3,617 lakhs as at March 31, 2021, total revenues of Rs. 83 lakhs and net cash outflows amounting to Rs. 908 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditor on the separate financial statements of the subsidiary, referred to in the Other Matters section above we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

Deloitte Haskins & Sells Chartered Accountants

Deloitte
Haskins & Sells

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Parent as on March 31, 2021 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent incorporated in India.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 302009E)

Abhijit Bandyopadhyay
Partner
(Membership No. 054785)
UDIN: 21054785AAAACX7311

Kolkata, May 31, 2021

Deloitte
Haskins & Sells

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of **TIL Limited** (hereinafter referred to as "Parent"), as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent, is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Parent's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Parent's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Parent's internal financial controls system over financial reporting.

Deloitte Haskins & Sells Chartered Accountants

Deloitte Haskins & Sells

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent, has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2011, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 302009E)

Abhijit Bandyopadhyay
Partner
(Membership No. 054785)
UDIN: 21054785AAAACX7311

Kolkata, May 31, 2021

TIL LIMITED
CIN: L74999WB1974PLC041725
Consolidated Balance Sheet as at 31st March 2021
(All amounts in Rs Lakhs, unless otherwise stated)

	Particulars	Note No.	As at 31.03.2021	As at 31.03.2020
A	**ASSETS**			
1	**Non-Current Assets**			
	(a) Property, Plant and Equipment	4	11,309	12,338
	(b) Capital Work-In-Progress	6	227	677
	(c) Right-of-use Assets	4.1	537	4,177
	(d) Intangible Assets	7	107	224
	(e) Financial Assets			
	(i) Investments	8-A	-	-
	(ii) Others	9-A	670	384
	(f) Deferred Tax Assets (Net)	10-B	4,558	4,257
	(g) Income Tax Assets (Net)	10-A	591	357
	(h) Other Non-Current Assets	11-A	424	802
	Total Non-Current Assets		18,423	23,216
2	**Current Assets**			
	(a) Inventories	12	21,707	23,493
	(b) Financial Assets			
	(i) Investments	8-B	3,517	2,821
	(ii) Trade Receivables	13	23,823	21,116
	(iii) Cash and Cash Equivalents	14-A	46	977
	(iv) Bank balances other than (iii) above	14-B	514	437
	(v) Others	9-B	404	460
	(c) Other Current Assets	11-B	1,792	1,137
	Total Current Assets		51,803	50,441
3	**Assets Held for Sale**	4.4	3,634	-
	TOTAL ASSETS		73,860	73,657
B	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity Share Capital	15	1,003	1,003
	(b) Other Equity	16	21,987	28,911
	Total Equity		22,990	29,914
2	**Non-Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	17-A	11,784	4,066
	(ii) Lease Liabilities	20-A	224	179
	(b) Provisions	18-A	608	535
	(c) Provision for Tax	15		
	Total Non-Current Liabilities		12,616	4,780
3	**Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	17-B	24,041	23,989
	(ii) Lease Liabilities	20-B	39	55
	(iii) Trade Payables	19		
	A) Total outstanding dues of micro enterprises and small enterprises		507	629
	B) Total outstanding dues of Creditors other than micro enterprises and small enterprises		7,603	11,162
	(iv) Other Financial Liabilities	21	1,380	962
	(b) Other Current Liabilities	22	4,476	1,969
	(c) Provisions	18-B	208	197
	Total Current Liabilities		38,254	38,963
	TOTAL EQUITY AND LIABILITIES		73,860	73,657

See accompanying notes forming part of the Consolidated Financial Statements.

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

Abhijit Bandyopadhyay
Partner

For and on behalf of Board of Directors
of **TIL Limited**

Sumit Mazumder
Chairman & Managing Director
(DIN:00116654)

Shibaditya Ghosh
Chief Financial Officer

Sekhar Bhattacharjee
Company Secretary

Kolkata
31st May 2021

TIL LIMITED
CIN: L74999WB1974PLC041725
Consolidated Statement of Profit and Loss for the Year Ended 31st March 2021
(All amounts in Rs Lakhs, unless otherwise stated)

	Particulars	Note No.	Year Ended 31.03.2021	Year Ended 31.03.2020
I.	Revenue from Operations	23	31,323	37,703
II.	Other Income	24	728	8,152
III.	**Total Revenue (I + II)**		32,051	45,855
IV.	**Expenses**			
	Cost of Materials Consumed	25	11,344	16,602
	Purchases of Stock-In-Trade	26	10,488	5,805
	Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress	27	234	6,527
	Employee Benefits Expense	28	5,528	7,153
	Finance Costs	29	3,465	3,186
	Depreciation and Amortization Expense	30	1,187	1,322
	Other Expenses	31	7,170	8,623
	Total Expenses (IV)		39,416	49,218
V.	**(Loss) / Profit Before Exceptional Items and Tax (III - IV)**		(7,365)	(3,363)
VI.	Exceptional Items	32	224	-
VII.	**(Loss) / Profit Before Tax (After Exceptional Items) [V-VI]**		(7,141)	(3,363)
VIII.	**Tax (Benefits) / Expenses**			
	(1) Current Tax		-	4
	(2) Income tax relating to earlier years	10-B	3	2
	Net Current Tax		3	6
	(3) Deferred Tax	10-B	(296)	(1,519)
	Total Tax (Benefits) / Expenses (VIII)		(293)	(1,513)
IX.	**(Loss) / Profit for the year (VII-VIII)**		(6,848)	(1,850)
X.	**Other Comprehensive Income**			
	A. Items that will not be reclassified to the Statement of Profit and Loss			
	Remeasurements of the defined benefit plans		(15)	(9)
	B. Income tax relating to items that will not be reclassified to the Statement of Profit and Loss		5	3
	C. Items that will be reclassified to the Statement of Profit and Loss			
	Exchange differences in translating the financial statements of foreign operations		(66)	190
	D. Income tax relating to items that will be reclassified to the Statement of Profit and Loss		-	-
	Total Other Comprehensive Income (X)		(76)	184
XI.	**Total Comprehensive Income for the year (IX + X)**		(6,924)	(1,666)
XI.	Earnings Per Equity Share			
	Basic and Diluted	38	(68.27)	(18.44)

See accompanying notes forming part of the Consolidated Financial Statements.

In terms of our report attached

For and on behalf of Board of Directors
of **TIL Limited**

For Deloitte Haskins & Sells
Chartered Accountants

Abhijit Bandyopadhyay
Partner

Sumit Mazumder
Chairman & Managing Director
(DIN:00116654)

Shibaditya Ghosh
Chief Financial Officer

Kolkata
31st May 2021

Sekhar Bhattacharjee
Company Secretary

TIL LIMITED
CIN: L74999WB1974PLC041725
Consolidated Statement of Cash Flows for the Year Ended 31st March 2021
(All amounts in Rs Lakhs, unless otherwise stated)

	Particulars	Year Ended 31.03.2021		Year Ended 31.03.2020	
A	**Cash Flow from Operating Activities**				
	Profit Before Tax after Exceptional Items		**(7,141)**		(3,363)
	Adjustments for:				
	Depreciation and Amortization Expense	**1,187**		1,322	
	Finance Costs	**3,465**		3,186	
	Net (Gain) / Loss on Fair Valuation of investments through Profit and Loss	**(366)**		368	
	Unrealised Foreign Exchange (Gain) / Loss (Net)	**47**		26	
	Provisions / Liabilities no longer required written back	**-**		(76)	
	(Gain) / Loss on Sale of Investment	**(1)**		70	
	Doubtful and Bad Debts, Advances, Loans and Deposits	**3,574**		4,321	
	Interest Income	**(37)**		(95)	
	Dividend Income	**(130)**		(64)	
	(Profit) / Loss on Sale of Property, Plant & Equipment (Net)	**5**		(2)	
	Income from Exceptional Items	**(224)**		-	
	(Profit) / Loss on Fair Valuation of Derivatives not designated as Hedging Instruments through Profit and Loss	**(3)**		-	
	Other Non Cash Adjustment	**186**		(1,548)	
			7,703		7,508
	Operating Profit before Working Capital Changes		**562**		4,145
	Changes in Working Capital				
	Trade Receivables, Loans, Advances and Other Assets	**(7,070)**		(5,841)	
	Inventories	**1,598**		(4,260)	
	Trade Payables, Other Liabilities and Provisions	**(978)**		1,387	
			(6,450)		(8,714)
	Cash Generated from Operations		**(5,888)**		(4,569)
	Income Tax Paid (Net)		**(239)**		(59)
	Net Cash Flows used in Operating Activities (A)		**(6,127)**		(4,628)
B	**Cash Flow from Investing Activities**				
	Purchase of Property, Plant and Equipment, Intangibles etc.	**178**		(423)	
	Sale of Property, Plant & Equipment	**917**		9	
	Margin Money / Bank Deposits not considered as Cash and Cash Equivalents	**(362)**		236	
	Interest Received	**37**		95	
	Dividend Received	**130**		64	
	(Purchase)/Sale of Investments	**(423)**		(1,709)	
	Net Cash Flows used in Investing Activities (B)		**477**		(1,728)
C	**Cash Flow from Financing Activities**				
	Repayment of Long Term Borrowings	**(3,262)**		(990)	
	Proceeds from Long Term Borrowings	**11,462**		5,764	
	Repayment of Lease Liabilities	**(68)**		(69)	
	Proceeds from Short Term Borrowings (Net)	**106**		4,976	
	Finance Costs Paid	**(3,497)**		(3,048)	
	Dividend and Tax Paid	**-**		(212)	
	Net Cash Flows from Financing Activities (C)		**4,741**		6,421
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		**(909)**		65
	Cash and Cash Equivalents at the beginning of the year (Refer Note 14-A)		**977**		835
	Effect for foreign exchange fluctuation		**(22)**		77
	Cash and Cash Equivalents at the end of the period (Refer Note 14-A)		**46**		977
	Cash and Cash Equivalents Comprises				
	Cash in hand		5		6
	Balance with Banks		41		971
			46		977

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".
See accompanying notes forming part of the Consolidated Financial Statements.

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

Abhijit Bandyopadhyay
Partner

Kolkata
31st May 2021

For and on behalf of Board of Directors
of **TIL Limited**

Sumit Mazumder
Chairman & Managing Director
(DIN:00116654)

Shibaditya Ghosh
Chief Financial Officer

Sekhar Bhattacharjee
Company Secretary

TIL LIMITED
CIN: L74999WB1974PLC041725
Consolidated Statement of Changes in Equity for the Year Ended 31st March 2021
(All amounts in Rs Lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Balance as at 01.04.2019	Changes in equity share capital during the year	Balance as at 31.03.2020
1,003	-	1,003

Balance as at 01.04.2020	**Changes in equity share capital during the year**	**Balance as at 31.03.2021**
1,003	-	1,003

B. OTHER EQUITY

	Reserve and Surplus							**Items of Other Comprehensive Income**	
	Securities Premium	**Capital Reserve**	**Capital Redemption Reserve**	**Development Rebate Reserve**	**Amalgamation Reserve**	**General Reserve**	**Retained Earnings**	**Foreign Currency Translation Reserve**	**Total Equity**
Balance as at 01.04.2019	1,934	878	400	1	20	3,013	21,894	2,649	30,789
Profit for the year	-	-	-	-	-	-	(1,850)	-	(1,850)
Other Comprehensive Income for the year (net of tax)	-	-	-	-	-	-	(6)	190	184
Payment of dividend	-	-	-	-	-	-	(176)	-	(176)
Tax on dividend	-	-	-	-	-	-	(36)	-	(36)
Other Adjustments	-	-	-	-	-	-	-	-	-
Balance as at 31.03.2020	1,934	878	400	1	20	3,013	19,826	2,839	28,911
Profit for the year	-	-	-	-	-	-	**(6,848)**	**-**	**(6,848)**
Other Comprehensive Income for the year (net of tax)	-	-	-	-	-	-	**(10)**	**(66)**	**(76)**
Total Comprehensive Income	-	-	-	-	-	**-**	**(6,858)**	**(66)**	**(6,924)**
Dividend	-	-	-	-	-	**-**	**-**	-	**-**
Tax on dividend	-	-	-	-	-	-	**-**	-	**-**
Balance as at 31.03.2021	**1,934**	**878**	**400**	**1**	**20**	**3,013**	**12,968**	**2,773**	**21,987**

TIL LIMITED
CIN: L74999WB1974PLC041725
Consolidated Statement of Changes in Equity for the Year Ended 31st March 2021
(All amounts in Rs Lakhs, unless otherwise stated)

B. OTHER EQUITY CONTD…

Securities Premium
This reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

Capital Reserve
This represents grants etc. of capital nature.

Capital Redemption Reserve
This reserve is created on redemption of capital.

Development Reserve and Amalgamation Reserve
These Reserves were transferred to the Group in the course of business combination.

General Reserve
The General Reserve is used from time to time to transfer profit from retained earnings for appropriation purposes.

Retained Earnings
This reserve represents the cumulative profits of the Group. This can be utilised in accordance with the provisions of the Companies Act, 2013.

Foreign Currency Translation Reserve
This reserve contains accumulated balance of foreign exchange differences from translation of the financial statements of the Group's foreign operations arising at the time of consolidation of such entities.

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

Abhijit Bandyopadhyay
Partner

For and on behalf of Board of Directors
of **TIL Limited**

Sumit Mazumder
Chairman & Managing Director
(DIN:00116654)

Shibaditya Ghosh
Chief Financial Officer

Kolkata
31st May 2021

Sekhar Bhattacharjee
Company Secretary

1 GENERAL INFORMATION

1.1 TIL Limited (the Parent Company) and its overseas subsidiary (collectively referred to as the 'Group') is engaged in manufacturing and marketing of a comprehensive range of material handling, lifting, port and road construction solutions with integrated customer support and after Sales Service. Overall the Group's products and services are termed as Materials Handling Solutions (MHS). The Group has two manufacturing facilities - Kamarhatty and Kharagpur in West Bengal. The Company is a Public Limited Company and is listed in Bombay, Calcutta and National Stock Exchange in India.

1.2 Basis of Consolidation
The Consolidated Financial Statements (CFS) include the financial statements of the Parent and its following subsidiary (together forming the ‘Group’).

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership	Accounting Year
TIL Overseas PTE Limited	Singapore	100	1st April to 31st March

Control and significant influence is assessed annually with reference to the voting power (usually arising from equity shareholdings and potential voting rights) and other rights, if any, enjoyed by the Parent in its capacity as an investor that provides it the power and consequential ability to direct the investee’s activities and significantly affect the Group’s returns from its investment.
The assets, liabilities, income and expenses of the subsidiary is aggregated and consolidated, line by line, from the date control is acquired by the Parent to the date it ceases. Profit or loss and each component of other comprehensive income are attributed to the Group as owners. The excess of the Group’s investment in a subsidiary over its share in the net worth of such subsidiary on the date control is acquired is treated as goodwill while a deficit is considered as a capital reserve in the CFS. On disposal of the subsidiary, attributable amount on goodwill is included in the determination of the profit or loss and recognised in the Statement of Profit and Loss.
Impairment loss, if any, to the extent the carrying amount exceeds the recoverable amount is charged off to the Statement of Profit and Loss as it arises and is not reversed. For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) which is not larger than an operating segment, and is monitored for internal management purposes.
All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2 Significant Accounting Policies

2.1 Statement of Compliance
These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

2.2 Basis of Preparation
The financial statements are prepared in accordance with the historical cost convention, except for certain items (e.g. financial instruments) that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except leasing transactions that are within the scope of Ind AS 116 – "Leases", and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – "Inventories" or value in use in Ind AS 36 – "Impairment of Assets".

2.3 Operating Cycle
All assets and liabilities have been classified as current or non-current as per the Group’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – "Presentation of Financial Statements" based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents; the Group has ascertained its operating cycle as 12 months for the purpose of current, non current classification of assets and liabilities.

2.4 Property, Plant and Equipment – Tangible Assets
Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Cost is inclusive of all directly attributable expenses including borrowing cost related to acquisition. Expenses capitalized also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Consolidated Statement of Profit and Loss.

Capital Work in Progress is stated at cost (including borrowing cost, where applicable, and adjustment for exchange difference), incurred during construction / installation / preoperative periods relating to items or projects in progress.

The Group has entered into Memorandum of Understanding in order to sale the leasehold land at Vidyasagar Park, Kharagpur, along with the building in the financial year 2021 - 22. The net book value of the said Leasehold Land is of Rs. 3,613 lakhs and Building Rs. 21 lakh as on 31.03.2021 is appearing in Right of Use Assets and Buildings respectively. Both these assets has been reclassified as asset held for sale as at the year end.

2.5 Intangible Assets
Intangible Assets that the Group controls and from which it expects future economic benefits are capitalized upon acquisition and measured initially:
a. for assets acquired in a business combination or by way of a government grant, at fair value on the date of acquisition / grant

2.5 contd….

b. for separately acquired assets, at cost comprising the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the asset for its intended use. Internally generated assets for which the cost is clearly identifiable are capitalized at cost. Research expenditure is recognized as an expense when it is incurred. Development costs are capitalized only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognized as the cost of such assets.

2.6 Depreciation and Amortization

Depreciation on Property, Plant and Equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Intangible Assets are amortized on straight line basis as follows:
Computer Software - 2 to 5 years.
Technical Knowhow - 3 to 5 years
The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

2.7 Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.
When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit and loss.

2.8 Inventories

Inventories are stated at lower of cost and net realizable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price less estimated costs for completion and sale.
Obsolete, slow moving and defective inventories are identified periodically and, where necessary, a provision is made for such inventories.

2.9 Foreign Currency Transactions

The functional and presentation currency of the Group is Indian Rupee. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in consolidated statement of profit and loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

2.10 Derivatives

The Group enters into derivative financial instruments, primarily foreign exchange forward contracts, to manage its exposure to foreign exchange risks.
Derivatives are initially recognized at fair value and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gains / losses are recognized in the standalone statement of profit and loss.

2.11 Investment in Subsidiaries

Investment in subsidiaries are carried at cost less accumulated impairment, if any.

2.12 Financial instruments, Financial assets, Financial liabilities and Equity instruments

Recognition: Financial assets include Investments, Trade Receivables, Advances, Security Deposits, Cash and Cash Equivalents. Such assets are initially recognised at transaction price when the Group becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:
(a) amortized cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.

(b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognized in other comprehensive income.

(c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.
Trade Receivables, Advances, Security Deposits, Cash and Cash Equivalents etc. are classified for measurement at amortized cost while investments may fall under any of the aforesaid classes.

Impairment: The Group assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortized cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

2.12 contd….

Reclassification: When the business model is changed, the Group shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortized cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognized gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognized when the right to receive cash flows from the assets has expired, or has been transferred, and the Group has transferred substantially all of the risks and rewards of ownership.

Concurrently, if the asset is one that is measured at:
(a) amortized cost, the gain or loss is recognized in the Statement of Profit and Loss;
(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition: Interest income is recognized in the Statement of Profit and Loss using the effective interest method. Dividend income is recognized in the Statement of Profit and Loss when the right to receive dividend is established.

Financial Liabilities: Borrowings, trade payables and other financial liabilities are initially recognized at the value of the respective contractual obligations. They are subsequently measured at amortized cost. Any discount or premium on redemption / settlement is recognized in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.
Financial liabilities are derecognized when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments: Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments: Equity instruments are recognized at the value of the proceeds, net of direct costs of the capital issue.

Derivatives: Derivatives are initially recognized at fair value and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gains / losses are recognized in the Statement of Profit and Loss immediately.

2.13 Revenue

Revenue from contract with customers is recognized when the Group satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations may be satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/ arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.
Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added taxes. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives / discounts. Accumulated experience is used to estimate and provide for the discounts / right of return, using the expected value method.

2.14 Government Grant

Government grants are recognized when there is reasonable assurance that the grant will be received, and the Group will comply with the conditions attached to the grant. Accordingly, government grants:
a) related to or used for assets are included in the Balance Sheet as deferred income and recognized as income over the useful life of the assets.
b) related to incurring specific expenditures are taken to the consolidated statement of profit and loss on the same basis and in the same periods as the expenditures incurred.
c) by way of financial assistance on the basis of certain qualifying criteria are recognized as they become receivable.

2.15 Employee Benefits

The undiscounted amount of Short-term Employee Benefits (i.e. benefits payable within one year) are recognized in the period in which the employee services are rendered.

Contributions towards provident funds are recognized as expense. Provident fund contributions in respect of employees are made to Trusts -'Tractors (India) Limited Provident Institution' and ' TIL Limited (Kamarhatty Works) Provident Fund Institution" being administered by the trustees of the said fund for the benefit of employees of the Group and such Trusts invest funds following a pattern of investment prescribed by the Government. The interest rate payable to the members of the Trusts is not lower than the rate of interest declared annually by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act,1952 and shortfall, if any, on account of interest, is made good by the Group.

Contributions under Employees' Pension Scheme is made as per statutory requirements and charged as expenses for the year.

The Group also contributes to the Central Government administered Employees' State Insurance Scheme for its eligible employees, which is a defined contribution plan.

Provisions for Gratuity for eligible employees (being a defined benefit plan) is made on the basis of year end actuarial valuation using Projected Unit Credit Method.

In respect of certain eligible employees who have attained 45 years of age as on 1st April 2009, provision for Superannuation under defined benefit plan is made on the basis of year end actuarial valuation using Projected Unit Credit Method.

In respect of certain eligible employees who have not attained 45 years of age as on 1st April 2009 provision for Superannuation is made :-

- under defined contribution scheme in respect of services rendered with effect from 1st April 2009.
- under defined benefit scheme in respect of services rendered up to 31st March 2009, based on frozen pensionable salary as on 31st March 2009 using Projected Unit Credit Method.

Service costs and net interest expense or income is reflected in the Consolidated Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognized immediately through other comprehensive income in the period in which they occur.
Accrued liability towards compensated absence, covering eligible employees, evaluated on the basis of year end actuarial valuation using Projected Unit Credit Method, is recognised as a charge.

Ind AS 19 – Plan Amendment, Curtailment or Settlement:
It requires an entity to use updated assumptions to determine current service costs and net interest for the remainder of the period after a plan amendment, curtailment or settlement, and to recognize in the Statement of Profit and Loss as part of past service cost, or gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

2.16 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether (i) the contract involves the use of an identified asset, (ii) the Group have substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) the Group have the right to direct the use of the asset. At the date of commencement of the lease, the Group recognize a right of use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short term and low value leases, the group recognizes the lease payments as an operating expense on a straight line over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and liabilities include these options when it is reasonably certain that they will be exercised.

The right of use of assets are initially recognized at cost, which comprise the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct cost less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right of use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset. Right of use of assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying value may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined using Cash Generating Unit (CGU) to which the asset belongs.

Transition
The Group adopted Ind AS 116 “Leases” with the date of initial application being April 01, 2019. Ind AS 116 replaces Ind AS 17 “Leases” and related interpretations and guidance. On transition to Ind AS 116, Right of Use Assets as at April 01, 2019 for lease previously classified as operating lease were recognised and measured at an amount equal to lease liability (adjusted for related prepayments / accruals, if any). As a result, the comparative information has not been restated. The Group discounted the lease payments using the incremental rate of borrowing rate as at April 01, 2019 for measuring lease liability.

For details discloser Refer Note 5

2.17 Taxes on Income
Taxes on income comprise of current taxes and deferred taxes. Current tax in the Consolidated Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which such unused tax losses can be utilized.
Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.
Tax Credit is recognized in respect of Minimum Alternate Tax (MAT) as per the provisions of Section 115JAA / 115JB of the Income Tax Act, 1961 based on convincing evidence that the Group will recover the same against normal income tax within the statutory time frame which is reviewed at each Balance Sheet Date.

According to the appendix C, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the group have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of tax treatment when determining taxable profit / loss, tax bases, unused tax losses, unused tax credits and the tax rates. The standard permits two possible methods of transition – (i) Full Retrospective Approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and (ii) Retrospective with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The Group adopted the standard on 1st April 2019 and has decided to adjusted the cumulative effect of in equity on the date of initial application i.e. 1st April 2019 if any without adjusting comparatives. The adoption of this standard did not have any material impact to the financial statements.

The Group have recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to the taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as a part of dividend in accordance with Ind AS 12.

2.18 Provisions and contingent liabilities

Provisions are recognized when, as a result of a past event, the Group has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognized is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

A disclosure of a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a apposable obligation or a present obligation and the likelihood of outflow of resources, is remote, no provision or disclosure of contingent liability is made.

2.19 Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is responsible for allocating resources and assessing performance of the operating segments. Based on such, the Group operates in one operating segment, viz. Materials Handling Solutions (MHS).

2.20 Earning per Share

Basic earnings per share are calculated by dividing the profit and loss for the year attributable to shareholders by the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earnings per share, the profit and loss for the year attributable to shareholders and weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential shares

2.21 The Group has adopted a norm to round-off any amount below Rs. 0.5 lakh.

3 Use of estimates and judgements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements in applying accounting policies

The judgements, apart from those involving estimations (see notes 3.1 to 3.7), that the Group has made in the process of applying its accounting policies and that have a significant effect on the amounts recognized in these financial statements pertain to useful life of intangible assets. Refer note 2.6 to the financial statements.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.1 Useful lives of property, plant and equipment and intangible assets

As described in the significant accounting policies, the Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

3.2 Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. Fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
• Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
• Level 3 inputs are unobservable inputs for the asset or liability. The Group engages third party valuers, where required, to perform the valuation.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

3.3 Actuarial Valuation

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognized in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

3.4 Claims, Provisions and Contingent Liabilities

The Group has ongoing litigations with various regulatory authorities. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations are provided in notes 33.1 to 33.4 to the financial statements.

3.5 Inventory Obsolescence

The Group reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Group estimates the net realizable value for such inventories based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review at each balance sheet date and makes provision against obsolete and slow-moving items. The Group reassesses the estimation on each balance sheet date.

3.6 Impairment of financial assets

The Group assesses impairment based on Expected Credit Losses (ECL) model on trade receivables. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analysed.

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2021
(All amounts in Rs Lakhs, unless otherwise stated)

4 PROPERTY, PLANT AND EQUIPMENT

	As at 31.03.2021	As at 31.03.2020
Net Carrying amounts of		
Freehold Land	**1,694**	1,694
Buildings	**5,873**	6,308
Plant and Equipment	**3,058**	3,348
Furniture and Fixtures	**520**	757
Office Equipment	**16**	21
Vehicles	**148**	210
Total	**11,309**	12,338

	As at 01.04.2019	Additions	Disposals	As at 31.03.2020	Additions	Disposals	Assets Held for Sale	As at 31.03.2021
Gross Carrying Amount-Cost								
Freehold Land	1,694	-	-	1,694	-	-	-	**1,694**
Buildings	7,625	13	-	7,638	435	650	434	**6,989**
Plant and Equipment	3,803	996	1	4,798	231	101	-	**4,928**
Furniture and Fixtures	1,495	3	*	1,498	1	73	-	**1,426**
Office Equipment	20	8	*	28	-	1	-	**27**
Vehicles	314	-	118	196		33	-	**163**
Total	14,951	1,020	119	15,852	667	858	434	**15,227**

	As at 01.04.2019	Depreciation expense	Eliminated on disposals of assets	As at 31.03.2020	Depreciation expense	Eliminated on disposals of assets	Assets Held for Sale	As at 31.03.2021
Depreciation								
Freehold Land	-	-	-	-	-	-	-	**-**
Buildings	997	333	-	1,330	324	125	413	**1,116**
Plant and Equipment	1,045	405	-	1,450	431	11	-	**1,870**
Furniture and Fixtures	561	180	-	741	177	12	-	**906**
Office Equipment	2	5	-	7	5	1	-	**11**
Vehicles	53	45	112	(14)	40	11	-	**15**
Total	2,658	968	112	3,514	977	160	413	**3,918**

4.1 RIGHT-OF-USE ASSETS

Particulars	**As at 31.03.2021**	As at 31.03.2020
Net Carrying amounts of		
Right-of-use Assets	**537**	4,177
Total	**537**	4,177

Particulars	As at 01.04.2019	Additions	Disposals	As at 31.03.2020	Additions	Disposals	Assets Held for Sale	As at 31.03.2021
Gross Carrying Amount- Cost								
Right-of-use Assets	-	4,268	-	4,268	72	49	3,689	**602**
Total	-	4,268	-	4,268	72	49	3,689	**602**

Particulars	As at 01.04.2019	Amortization expense	Amortization on disposals	As at 31.03.2020	Amortization expense	Amortization on disposals	Assets Held for Sale	As at 31.03.2021
Amortization								
Right-of-use Assets	-	91	-	91	94	44	76	**65**
Total	-	91	-	91	94	44	76	**65**

* Amount is below the rounding off norm adopted by the Group.

Notes:-

4.2 Ownership of a flat (Carrying Value Rs.1 Lakh as on 31.03.2021, previous year Rs.1 Lakh) belonging to the Group in a Co-operative Housing Society is registered in the name of the Managing Director of erstwhile Spundish Engineering Limited.

4.3 For details of Property, Plant And Equipment given as security against borrowing - Refer Note 17.1.

4.4 The Group has entered into Memorandum of Understanding in order to sale the leasehold land at Vidyasagar Park, Kharagpur, along with the building in the financial year 2021 - 22. The net book value of the said Leasehold Land is of Rs. 3,613 lakhs and Building Rs. 21 lakh as on 31.03.2021 is appearing in Right of Use Assets and Buildings respectively. Both these assets has been reclassified as asset held for sale as at the year end.

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2021
(All amounts in Rs Lakhs, unless otherwise stated)

5 Leases

The Group has adapted Ind AS 116 - (Leases w.e.f. 1st April 2019). The Impact of Ind AS 116 on the financial results for the year ended 31st March 2021 is as under

5.1 Amount recognized in Balance Sheet and Statement of Profit and Loss

Carrying amounts of the right of use assets and liabilities and movements during the year

Particulars	Right of Use Assets Land & Buildings	Lease Liabilities
As at 1st April 2019 *	-	-
Addition on account of adoption of Ind AS 116	4268	273
Amortization Expenses	91	-
Interest Expenses		30
Payments made during the year		69
As at 31st March 2020	4,177	234
As at 1st April 2020	**4,177**	**234**
Addition / Disposal of ROU assets (Net)	**23**	**68**
Amortization Expenses	**94**	
Amortization on Disposal of ROU assets	**44**	
Interest Expenses		**30**
Payments made during the year		**69**
Assets Held for Sale (Refer note 4.4)	**3613**	
As at 31st March 2021	**537**	**263**

* The Group did not change the carrying amounts of recognized assets and liabilities previously classified as finance leases i.e. recognized under Ind AS 17. The requirements of Ind AS 116 was applied to these leases from 1st April 2019.

5.2 Amounts recognized in the Statement of Profit and Loss

Particulars	**For the Year Ended 31.03.2021 Amount**	For the Year Ended 31.03.2020 Amount
Amortisation expense on right of use assets	**94**	91
Interest expenses on lease liabilities	**30**	30
Rent Expenses of short term lease and leases of low value	**85**	96
Total	**209**	217

5.3 Lease liabilities

Carrying amounts of the right of use assets and liabilities and movements during the year

Particulars	**As at 31.03.2021**	As at 31.03.2020
Minimum lease payments		
Within one year	**67**	55
After one year but not more than five years	**175**	174
More than five years	**294**	296
	536	525
Less: Future finance charges	**273**	291
	263	234
Included in the financial statements as		
Current maturities of finance lease obligations (Refer Note 20-B)	**39**	55
Non-current borrowings	**224**	179
	263	234
The Net Carrying amount of the assets acquired under Finance Lease included in Note 4.1	**537**	4,177
	537	4,177

(All amounts in Rs Lakhs, unless otherwise stated)

6 CAPITAL WORK-IN-PROGRESS

	Particulars	As at 31.03.2021	As at 31.03.2020
a.	Balance as at the beginning of the year	**677**	1,184
b.	Add: Additions during the year	**56**	271
c.	**Total Capital Work-In-Progress: c= (a+b)**	**733**	1,455
d.	Less: Transferred to Plant, Property and Equipment and intangible assets	**506**	778
e.	**Balance as at the end of the year: e=(c-d)**	**227**	677

7 INTANGIBLE ASSETS

	As at 31.03.2021	As at 31.03.2020
Net Carrying amounts of :		
(Internally generated assets)		
Technical Know-how	**-**	36
Software	**107**	188
Total	**107**	224

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2021
(All amounts in Rs Lakhs, unless otherwise stated)

7 INTANGIBLE ASSETS Contd….

	As at 01.04.2019	Additions	Disposals	As at 31.03.2020	Additions	Disposals	**As at 31.03.2021**
Gross Carrying Amount- Cost							
(Internally generated assets)							
Technical Know-how	548	-	-	548	-	-	**548**
Software	325	-	-	325		-	**325**
Total	873	-	-	873	-	-	**873**

	As at 01.04.2019	Amortization expense	Eliminated on disposals of assets	As at 31.03.2020	Amortization expense	Eliminated on disposals of assets	**As at 31.03.2021**
Amortization							
(Internally generated assets)							
Technical Know-how	317	195	-	512	36	-	**548**
Software	82	55	-	137	81	-	**218**
Total	399	250	-	649	117	-	**766**

(All amounts in Rs Lakhs, unless otherwise stated)

8-A NON-CURRENT INVESTMENTS

	As at 31.03.2021 Numbers	As at 31.03.2021 Value	As at 31.03.2020 Numbers	As at 31.03.2020 Value
A. Cost				
I. Investments carried at amortized cost				
Unquoted				
Investment in Debentures				
Woodlands Multispecialty Hospital Limited	**20**	*****	20	*
1/2 % Debentures of Rs. 100/- each fully paid				
Investments Carried at Amortized Cost		*****		*
Unquoted Investments :				
Investment in Equity Instrument				
Myanmar Tractors Limited	**602**	**13**	602	13
Shares of Kyats 1000 each fully paid (equivalent to US$ 168.55 each)				
Less: Provision for impairment of investment		**(13)**		(13)
Investments Carried at Fair Value through Profit and Loss		**-**		-
Aggregate book value of investments				
Quoted		**-**		-
Unquoted		**-**		-
Total		**-**		-
Aggregate market value of quoted investments		**-**		-
Aggregate amount of impairment in value of investments		**13**		13

*Amount is below the rounding off norm adopted by the Group.

8-B CURRENT INVESTMENTS

	As at 31.03.2021 Numbers	As at 31.03.2021 Value	As at 31.03.2020 Numbers	As at 31.03.2020 Value
I. Investment carried at Fair Value through *Profit and Loss*				
Quoted Investments :				
Investment in Equity Instrument				
Eveready Industries India Limited	**1,266**	**4**	1,266	1
Shares of Rs. 5/- each fully paid				
McLeod Russell India Limited	**1,266**	*****	1,266	*
Shares of Rs. 5/- each fully paid				
Bank of India	**7,900**	**5**	7,900	3
Shares of Rs. 10/- each fully paid				
II. Investment in Mutual Funds		**198**		204
III. Investment in Bonds		**3,310**		2,613
Total		**3,517**		2,821
Aggregate book value of investments				
Quoted		**9**		4
Aggregate market value of quoted investments		**9**		4

*Amount is below the rounding off norm adopted by the Group.

(All amounts in Rs Lakhs, unless otherwise stated)

9 OTHER FINANCIAL ASSETS

A. NON-CURRENT

	As at 31.03.2021	As at 31.03.2020
Unsecured, Considered Good		
Security Deposits	**249**	248
Deposit with Banks	**10**	10
Earmarked Balances with Banks #	**411**	126
Total	**670**	384

Earmarked balances with banks represent balances held for margin money against issue of bank guarantees.

B. CURRENT

	As at 31.03.2021	As at 31.03.2020
Unsecured, Considered Good		
Security Deposits	**151**	167
Claims Receivable	**250**	293
Derivatives not designated as Hedging Instruments	**3**	-
Total	**404**	460

10-A INCOME TAX ASSETS (NET)

Particulars	Non-Current As at 31.03.2021	As at 31.03.2020
Advance Income-Tax (Net of provisions)	**591**	357
Total	**591**	357

Income Tax (Benefits) / Expenses

The Group is subject to income tax in India on the basis of standalone financial statements. As per the Income Tax Act, the Group is liable to pay income tax which is the higher of regular income tax payable and the amount payable based on the provisions applicable for Minimum Alternate Tax (MAT).
MAT paid in excess of regular income tax during a year can be carried forward for a period of 15 years and can be set-off against future tax liabilities.

The Reconciliation of Estimated Income Tax to Income Tax Expense is as below

Particulars	Year Ended 31.03.2021	Year Ended 31.03.2020
Profit before tax	**(7,141)**	(3,363)
Statutory Income Tax Rate [MAT Rate]	**34.94%**	34.94%
Income Tax Expenses calculated at Statutory Rate	**(2,495)**	(1,175)
(i) Tax Credits Utilized	**-**	4
(ii) Effect of Expenses that are not deductable in determining taxable profit	**7**	51
(iii) Effect of adjustment for brought forward Losses	**-**	(63)
(iv) Effect of Tax Items in subsidiary company	**50**	(332)
(v) Effect of Permanent difference under Income Tax Act	**2,188**	-
(vii) Effect of Tax adjustment relating to earlier year	**3**	2
(viii) Others	**(46)**	-
Total Tax Expense Recognized in Statement of Profit and Loss Account	**(293)**	(1,513)

10-B COMPONENTS OF DEFERRED TAX ASSETS / (LIABILITIES) AS AT 31ST MARCH 2021 IS AS BELOW

Particulars	Balance as at 01.04.2020	Recognized/ (Reversed) in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Balance as at 31.12.2021
Deferred Tax Assets				
Provisions	2,260	294	-	**2,554**
Disallowances u/s 43B of IT Act	185	8	5	**198**
Prepaid Lease Rent	14	(9)	-	**5**
MTM valuation of Investment	3	(3)	-	**-**
	2,462	290	5	**2,757**
Deferred Tax Liabilities				
Property, Plant and Equipment and Intangible Assets	1,231	(8)	-	**1,223**
MTM valuation of Investment	-	2	-	**2**
	1,231	(6)	-	**1,225**
Net Deferred Tax Assets / (Liabilities) [A]	1,231	296	5	**1,532**
MAT Credit Entitlement				
MAT Credit Receivable	3,026	-	-	**3,026**
Total MAT Credit Receivable [B] *	3,026	-	**-**	**3,026**
Net Deferred Tax Assets / (Liabilities) [C]=[A]+[B]	4,257	296	5	**4,558**

Components of Deferred Tax Assets / (Liabilities) as at 31st March 2020 is as below

Particulars	Balance as at 01.04.2019	Recognized/ (Reversed) in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Balance as at 31.03.2020
Deferred Tax Assets				
Provisions	751	1,509	-	2,260
Disallowances u/s 43B of IT Act	186	(4)	3	185
Prepaid Lease Rent	-	14	-	14
MTM valuation of Investment	-	3	-	3
	937	1,522	3	2,462
Deferred Tax Liabilities				
Property, Plant and Equipment and Intangible Assets	1,224	7	-	1,231
Others	-		-	-
Derivatives not designated as Hedging Instruments	-	-	-	-
	1,224	7	-	1,231
Net Deferred Tax Assets / (Liabilities) [A]	(287)	1,515	3	1,231
MAT Credit Entitlement				
MAT Credit Receivable	3,022	4	-	3,026
Total MAT Credit Receivable [B]	3,022	4	**-**	3,026
Net Deferred Tax Assets / (Liabilities) [C]=[A]+[B]	2,735	1,519	3	4,257

* Unused tax credits are due to expire from financial year 2027-28 to 2035-36

10.1 At the end of the reporting period, the aggregate amount of temporary differences associated with undistributed earnings of the subsidiary which has not been recogniszd as on 31st March 2021 is Rs. 584 Lakhs (31.03.2020: Rs. 675 Lakhs). Deferred tax on these differences has not been recognized because the Parent is in a position to control the timing of the reversal of the temporary differences.

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2021
(All amounts in Rs Lakhs, unless otherwise stated)

11 OTHER ASSETS

A. NON-CURRENT

	As at 31.03.2021	As at 31.03.2020
Capital Advances	**12**	573
Balance with Statutory / Government Authorities (other than income taxes) - [Refer Note 11.1]	**400**	218
Employee Advance	**12**	11
Total	**424**	802

B. CURRENT

	As at 31.03.2021	As at 31.03.2020
Advance to Suppliers	**897**	457
Balance with Statutory / Government Authorities (other than income taxes)	**442**	419
Employee Advance	**48**	40
Prepayments	**405**	221
Total	**1,792**	1,137

Note

11.1 Balance with Statutory / Government Authorities relates to amounts paid under protest in respect of demands from regulatory authorities.

12 INVENTORIES

	As at 31.03.2021	As at 31.03.2020
a. Raw Materials	**14,090**	15,661
	14,090	15,661
b. Work-in-Progress	**4,580**	5,625
	4,580	5,625
c. Finished Goods	**-**	148
	-	148
d. Stock-in-Trade	**2,854**	1,904
	2,854	1,904
e. Stores and Spares	**183**	155
	183	155
Total	**21,707**	23,493

Note

12.1 The above includes Goods-in-Transit as under

	As at 31.03.2021	As at 31.03.2020
Raw Material	**2,889**	4,521
Total	**2,889**	4,521

12.2 Details of Work-in-Progress:

	As at 31.03.2021	As at 31.03.2020
Cranes	**3,247**	3,321
Self-Propelled Rubber Tyred Container Handling Mobile Crane	**711**	1,153
Road Construction Equipment	**622**	1,151
Total	**4,580**	5,625

12.3 Details of Finished Goods

	As at 31.03.2021	As at 31.03.2020
Road Construction Equipment	-	148
Total	-	148

12.4 Details of Stock in Trade

	As at 31.03.2021	As at 31.03.2020
Spare Parts	2,278	1,904
Road Construction Equipment	576	-
Total	2,854	1,904

12.5 Value of inventories of Raw Materials above is stated after provisions of Rs.536 Lakh (March 31, 2020 - Rs. 536 Lakhs) for write down to net realizable value.

12.6 Value of inventories of Work-In-Progress above is stated after provisions of Rs.217 Lakh (March 31, 2020 - Rs. 235 Lakhs) for write down to net realizable value.

12.7 For details of Inventories given as security against borrowing (Refer Note 17.1)

13 TRADE RECEIVABLES

	As at 31.03.2021	As at 31.03.2020
Unsecured, Considered Good	23,823	21,116
Unsecured, Considered Doubtful	7,166	6,325
	30,989	27,441
Less : Allowance for Credit Loss	(7,166)	(6,325)
Total	23,823	21,116

In determining the allowances for credit losses of trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected allowance for credit losses is based on the ageing of the receivables that are due and rates used in the provision matrix

(i) Movements in Allowance for Credit Losses is as below

	As at 31.03.2021	As at 31.03.2020
Balance at the beginning of the year	6,325	2,118
Charge in Statement of Profit and Loss	3,545	4,207
Utilized during the year	(2,704)	-
Balance at the end of the year	7,166	6,325

(ii) There are no outstanding debts due from directors or other officers of the Group.

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2021
(All amounts in Rs Lakhs, unless otherwise stated)

		As at 31.03.2021	As at 31.03.2020
14-A	**CASH AND CASH EQUIVALENTS**		
	Cash in hand	**5**	6
	Unrestricted Balances with Banks:		
	In Current Accounts	**41**	971
	Total Cash and Cash Equivalents (As per Ind AS 7 "Statement of Cash Flows")	**46**	977
14-B	**OTHER BANK BALANCES**		
	In Earmarked Dividend accounts	**8**	10
	Balances held as Margin Money #	**506**	427
	Total Other Bank Balances	**514**	437

Balances held as margin money represent balances against issue of letter of credit

		As at 31.03.2021	As at 31.03.2020
15	**EQUITY SHARE CAPITAL**		
	Authorised		
	20,000,000 (31.03.2020 : 20,000,000) Equity		
	Shares of Rs 10/- each	**2,000**	2,000
	Issued		
	10,030,265 (31.03.2020: 10,030,265) Equity		
	Shares of Rs 10/- each	**1,003**	1,003
	Subscribed and Paid up		
	10,030,265 (31.03.2020: 10,030,265) Equity		
	Shares of Rs 10/- each (fully paid up)	**1,003**	1,003
	Total	**1,003**	1,003

15.1 Rights, Preferences and Restrictions attached to Equity Shares

The Group has one class of Equity Shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. The Dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholding.

15.2 Movement in Subscribed and Paid up Share Capital

Particulars	**As At 31.03.2021**		As At 31.03.2020	
	Numbers	**Amount**	Numbers	Amount
Balance as at the beginning of the year	**1,00,30,265**	**1,003**	1,00,30,265	1,003
Balance as at the end of the year	**1,00,30,265**	**1,003**	1,00,30,265	1,003

15.3 Details of Shares held by Each Shareholder holding more than 5% of the Aggregate Shares in the Group

Particulars	**As At 31.03.2021**		As At 31.03.2020	
	Number of Shares held	**% of Holding**	Number of Shares held	% of Holding
Fully paid equity shares				
The Coles Crane Group Ltd	**19,30,828**	**19%**	19,30,828	19%
Life Insurance Corporation of India	**10,40,814**	**10%**	10,40,814	10%
Mr. Sumit Mazumder	**7,67,447**	**8%**	7,67,447	8%

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2021
(All amounts in Rs Lakhs, unless otherwise stated)

		As at 31.03.2021	As at 31.03.2020
16	**OTHER EQUITY**		
	Securities Premium	**1,934**	1,934
	Capital Reserve	**878**	878
	Capital Redemption Reserve	**400**	400
	Development Rebate Reserve	**1**	1
	Amalgamation Reserve	**20**	20
	General Reserve	**3,013**	3,013
	Foreign Currency Translation Reserve	**2,773**	2,839
	Retained Earnings	**12,968**	19,826
	Total	**21,987**	28,911

		As at 31.03.2021	As at 31.03.2020
16.1	**Securities premium**		
	Balance at the beginning of the year	**1,934**	1,934
	Balance at the end of the year	**1,934**	1,934

		As at 31.03.2021	As at 31.03.2020
16.2	**Capital Reserve**		
	Balance at the beginning of the year	**878**	878
	Balance at the end of the year	**878**	878

		As at 31.03.2021	As at 31.03.2020
16.3	**Capital Redemption Reserve**		
	Balance at the beginning of the year	**400**	400
	Balance at the end of the year	**400**	400

		As at 31.03.2021	As at 31.03.2020
16.4	**Development Rebate Reserve**		
	Balance at the beginning of the year	**1**	1
	Balance at the end of the year	**1**	1

		As at 31.03.2021	As at 31.03.2020
16.5	**Amalgamation Reserve**		
	Balance at the beginning of the year	**20**	20
	Balance at the end of the year	**20**	20

		As at 31.03.2021	As at 31.03.2020
16.6	**General Reserve**		
	Balance at the beginning of the year	**3,013**	3,013
	Balance at the end of the year	**3,013**	3,013

		As at 31.03.2021	As at 31.03.2020
16.7	**Foreign Currency Translation Reserve**		
	Balance at the beginning of the year	**2,839**	2,649
	Movement for the year	**(66)**	190
	Balance at the end of the year	**2,773**	2,839

		As at 31.03.2021	As at 31.03.2020
16.8	**Retained earnings**		
	Balance at the beginning of the year	**19,826**	21,894
	Total Comprehensive Income for the year	**(6,858)**	(1,856)
	Payment of dividend	**-**	(176)
	Tax on dividend	**-**	(36)
	Balance at the end of the year	**12,968**	19,826

17 BORROWINGS

A. NON-CURRENT

	As at 31.03.2021	As at 31.03.2020
Measured at Amortized Cost		
Secured Borrowings		
Term Loans		
From Banks	**1,638**	-
Loan from related parties (Refer Note 37)	**8,037**	1,050
From Financial Institutions	**2,109**	3,006
Vehicle Loans #		
From Banks	**-**	2
From Financial Institutions	*****	8
	11,784	4,066

*Amount is below the rounding off norm adopted by the Group.
The amount repayable during financial year 2020-21 as at 31st March 2021 is lying in current maturities of long term debt (Refer Note 21.1)

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2021
(All amounts in Rs Lakhs, unless otherwise stated)

B. CURRENT

	As at 31.03.2021	As at 31.03.2020
Measured at Amortized Cost		
Secured		
Loan Repayable on Demand from Banks	**20,036**	21,151
Unsecured		
From Financial Institutions	**-**	550
Other Working Capital facilities from Banks	**3,448**	2,288
Others	**557**	-
	24,041	23,989

Notes
17.1 Nature of Security, Terms of repayment and Interest for Secured Borrowings

Instrument	Nature of Security	Terms of Repayments
1. Term Loan	Secured by Hypothecation of leasehold land at Sahibabad and Security Deposit of Rs. 160,50,000/-	Term Loan from Tata Capital Financial Services Limited is repayable by way of 14 quarterly installments starting from June 2020 along with interest @ 11.75% per annum. 1st two installments of Rs. 1.04 crores each next four installments of Rs. 1.40 crores each next four installments of Rs. 2.00 crores each next four installments of Rs. 2.08 crores each
	Secured by Hypothecation of office at Mumbai located at 502-A, Western Edge-1 Tower No1 Condominium Borivalli East Mumbai-400 066	Term Loan from Tata Capital Financial Services Limited is repayable by way of 20 quarterly installments starting from July 2019 along with interest @ 11.50% per annum. 1st four installments Rs. 25 lakhs each next twelve installments of Rs.50 lakhs each next four installments of Rs. 75 lakhs each
	Secured by Hypothecation of office at Chennai located at Jhaver Plaza, 7th floor 1-A, Nungambakkam High Road Chennai-600 034	Term Loan from Aditya Birla Finance Limited is repayable by way of 60 monthly equal installment of Rs. 8.33 lakhs starting from April 2020 along with interest @ 12% per annum.
2. Guaranteed Emergency Credit Line under GECL 2.0 scheme	This scheme is launched by the Govt. Of India through Ministry of Finance and managed by and Guaranteed by National Credit Guarantee Trustee Company Limited and extension of 2nd charge over the primary & collateral securities including mortgages created in favour of the consortium banks on pari-passu basis.	GECL loan from SBI of Rs. 6.89 crores is repayable by way of 48 equal monthly installment after moratorium period of 1 year from the date of receipt GECL loan from PNB of Rs. 5 crores is repayable by way of 48 equal monthly installment after moratorium period of 1 year from the date of receipt GECL loan from Union Bank of India of Rs.2.10 crores is repayable l by way of 48 equal monthly installment after moratorium period of 1 year from the date of receipt GECL loan from IDBI Bank of Rs1.99 crores is repayable by way of 48 equal monthly installment after moratorium period of 1 year from the date of receipt GECL loan from Tata Capital Financial Services of Rs 4.80 crores is repayable by way of 48 equal monthly installment after moratorium period of 1 year from the date of receipt GECL loan from Aditya Birla Finance Limited of Rs 1 crore is repayable by way of 48 equal monthly installment after moratorium period of 1 year from the date of receipt
3. Short term Loan in TIL Overseas PTE. LTD.	This loan is secured by the Investments in Financial Assets with bank of Singapore.	Short Term loan in TIL Overseas Pte Ltd., represents revolving short term loan taken from Bank of Singapore with interest charge at 1.4% (2020:1.98%) per annum and repayable within the next twelve months. This loan is secured by the Investments in Financial Assets with bank of Singapore.
4. Vehicle Loan	Secured by hypothecation of the vehicle financed.	1. Vehicle Loan from BMW Financial Services Private Limited is repayable by way of 60 monthly equal instalments of Rs. 2.80 Lakhs starting from July 2016 inclusive of interest @ 9.35% per annum. 2. Vehicle Loan from ICICI Bank Limited are repayable by way of 36 monthly equal instalments of Rs. 0.39 Lakhs starting from October 2018 inclusive of interest @ 9% per annum.

(All amounts in Rs Lakhs, unless otherwise stated)

Instrument	Nature of Security	Terms of Repayments
3. Secured Loans Repayable on Demand	These loans are secured by a first pari-passu charge on entire current assets of the Company (namely stocks, trade receivables) and all other movables (both present and future) whether lying loose or in cases or which are stored in the factories, premises and godowns, situated at Kamarhatty, Kharagpur, Taratolla & Vidyasagar Unit of the Group. First pari-passu charge on movable assets including movable plant and machinery, machinery spares, tools and accessories etc. both present and future situated at Kharagpur & Taratolla. Second pari-passu charge on movable assets including moveable plant and machinery, machinery spares, tools and accessories etc. both present and future situated at Kamarhatty and Vidyasagar Unit of the Group.	These consist of cash credit facilities which are repayable on demand.

17.2 The maturity profile of Group's Borrowings are as below

	As at 31.03.2021	As at 31.03.2020
Not later than one year	**1,299**	814
Later than one year but not two years	**1,505**	1,031
Later than two years but not three years	**1,060**	1,125
More than three years	**1,174**	916
Total	**5,038**	3,886

18 PROVISIONS

A. NON-CURRENT

	As at 31.03.2021	As at 31.03.2020
Provision for Employee Benefits		
Provision for Contribution to Provident Fund (PF)	**81**	19
Provision for Compensated Absences (Unfunded)	**527**	516
Total	**608**	535

B. CURRENT

	As at 31.03.2021	As at 31.03.2020
(a) Provision for Employee Benefits		
Provision for Contribution to Provident Fund (PF)	**13**	30
Provision for Compensated Absences (Unfunded)	**40**	12
	53	42
(b) Other Provisions		
Provision for Warranty	**155**	155
Total	**208**	197

18.1 The details in movement of other provisions are as follows

	As at 31.03.2021	As at 31.03.2020
Provision for warranty		
Balance at the beginning of the year	**155**	134
Additions during the year	**54**	141
Released to the statement of profit and loss	**(54)**	(120)
Balance at the end of the year	**155**	155

19 TRADE PAYABLE

	As at 31.03.2021	As at 31.03.2020
A) Total outstanding dues of micro enterprises and small enterprises	**507**	629
B) Total outstanding dues of Creditors other than micro enterprises and small enterprises	**7,603**	11,162
Total	**8,110**	11,791

(All amounts in Rs Lakhs, unless otherwise stated)

19 contd….

The average credit period on purchase varies from 0-180 days. No interest is charged on the trade payables for the payments made within the credit period and payments are made as and when they fall due. The Group has processes in place to ensure that all payables are paid as per the pre-agreed credit terms.

19.1 The amount due to Micro and Small Enterprises as defined in the “The Micro, Small and Medium Enterprises (MSME) Development Act, 2006” has been determined to the extent such parties have been identified on the basis of information available with the Group. The disclosures relating to Micro and Small Enterprises are as below:

		As at 31.03.2021	As at 31.03.2020
(i)	Principal amount remaining unpaid to MSME suppliers as at the end of the year	**507**	629
(ii)	Interest due on unpaid principal amount to MSME suppliers as at the end of the year	**75**	67

20 LEASE LIABILITIES

		As at 31.03.2021	As at 31.03.2020
A	**NON-CURRENT**		
	Lease Liability	**224**	179
		224	179

		As at 31.03.2021	As at 31.03.2020
B	**CURRENT**		
	Lease Liability	**39**	55
		39	55

21 OTHER FINANCIAL LIABILITIES

CURRENT

	As at 31.03.2021	As at 31.03.2020
Current Maturities of Long Term Debt (Refer Note 21.1)	**1,296**	814
Interest accrued	**76**	70
Interest accrued and due on borrowings	**-**	68
Unclaimed Dividend	**8**	10
Total	**1,380**	962

21.1 Current Maturities of Long Term Debt	As at 31.03.2021	As at 31.03.2020
Term Loan from Financial Institutions and Banks	**1,285**	763
Vehicle Loan from Banks and Financial Institutions	**11**	51
Total	**1,296**	814

21.2 There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of Companies Act, 2013, as at the year end.

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2021
(All amounts in Rs Lakhs, unless otherwise stated)

22 OTHER CURRENT LIABILITIES	As at 31.03.2021	As at 31.03.2020
Payables for purchase of Property, Plant and Equipment	**47**	213
Contribution to Funds (Gratuity, Superannuation, etc.)	**958**	807
Security Deposit from Customers	**11**	14
Statutory Remittances	**172**	306
Advance from Customers and Others	**3,111**	485
Others	**177**	144
	4,476	1,969

23 REVENUE FROM OPERATIONS	Year Ended 31.03.2021	Year Ended 31.03.2020
Sale of Products		
Manufactured Goods	**16,600**	24,047
Traded Goods	**12,820**	11,674
Sale of Services	**1,698**	1,716
	31,118	37,437
Other Operating Income		
Selling Commission earned	**46**	3
Export Incentives *	**87**	63
Scrap Sales	**72**	200
	205	266
Revenue From Operations	**31,323**	37,703

* Government Grants under duty drawback scheme

24 OTHER INCOME	Year Ended 31.03.2021	Year Ended 31.03.2020
Interest income earned on Financial Assets that are not designated at Fair Value through Profit or Loss:		
- On Bank Deposits at amortized cost	**37**	95
Dividend Income		
- From companies (Trade Investments)	**130**	64
Profit on Sale of Investment	**1**	-
Gain on Sale of Property, Plant and Equipment (Net)	**-**	2
Gain on Fair Valuation of Derivatives not designated as hedging instruments through Profit and Loss	**3**	-
Gain on Fair Valuation of investments carried through Profit and Loss (Net)	**366**	-
Provisions / Liabilities no longer required written back	**-**	7,965
Other Miscellaneous Income	**191**	26
Total	**728**	8,152

*Amount is below the rounding off norm adopted by the Group.

25 COST OF MATERIALS CONSUMED	Year Ended 31.03.2021	Year Ended 31.03.2020
Material Consumed	**11,344**	16,602
Total	**11,344**	16,602

	Year Ended 31.03.2021	Year Ended 31.03.2020
26 PURCHASE OF STOCK-IN-TRADE		
Purchase of Traded Goods	**10,488**	5,805
Total	**10,488**	5,805

	Year Ended 31.03.2021	Year Ended 31.03.2020
27 CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS		
Inventories at the end of the year		
Work-in-Progress	**4,580**	5,625
Finished Goods	**-**	148
Traded Goods	**2,854**	1,904
	7,434	7,677
Inventories at the beginning of the year		
Work-in-Progress	**5,625**	5,890
Finished Goods	**148**	251
Traded Goods	**1,904**	7,821
	7,677	13,962
Translation difference	**(9)**	242
Net Increase	**234**	6,527

	Year Ended 31.03.2021	Year Ended 31.03.2020
28 EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	**4,831**	6,169
Contribution to Provident and other Funds	**464**	571
Staff Welfare Expenses	**233**	413
Total	**5,528**	7,153

28.1 Employee Benefits

The Group has recogniszd, in the Consolidated Statement of Profit and Loss for the year ended 31.03.2021 an amount of Rs. 320 Lakhs (Previous year Rs. 373 Lakhs) as expenses under defined contribution plans.

Defined benefit plans

(A) Gratuity Fund :-

The Group makes periodic contributions to the Tractors India Limited Staff Gratuity Fund, a funded defined benefit plan for qualifying employees administrated under a common Trust by the trustees of the said fund for the benefit of the employees of the Group.

Under the Gratuity plan, every employee is entitled to gratuity, being higher of the amount, calculated under the Group's plan (based on average salary of last 36 months and number of years of service, restricted to a maximum of 40 years) or calculations as laid down under the Payment of Gratuity Act, 1972. Gratuity is payable on death / retirement / termination and the benefit vests after 5 years of continuous service.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation was carried out as at 31st March 2021.

28.1 contd…

(B) Superannuation Fund :-

(i) Certain eligible employees of the Group who had attained at least 45 years of age as on 01.04.2009 are entitled to Superannuation benefit under the Superannuation scheme (a funded Defined Benefit Plan under a common Trust- 'Tractors India Limited Superannuation Fund Scheme', being administered by the trustees of the said fund for the benefit of employees of the Group). Under the aforesaid benefit scheme the Group makes periodic contribution to the Superannuation Fund Scheme and a predetermined percentage of salary is paid as pension on retirement. The quantum of pension depends on the average basic salary of eligible employee during the last 36 months before retirement. The benefit vests to employees with 12 years of continuous service and attainment of 48 years of age on retirement/death/termination. The most recent actuarial valuation of plan assets and present value of the Defined Benefit Obligation of Superannuation Fund was carried out as on 31.03.2021.

(ii) Employees who did not attain 45 years of age as on 01.04.2009 are under the purview of 'Defined Contribution Scheme' in respect of service rendered from 01.04.2009. The benefit of services rendered by these employees up to 31.03.2009 come under the purview of 'Defined Benefit Scheme' as indicated which is frozen as on 31.03.2009. Hence for this category of employees, the benefit of cessation of service will be :

a) amount accumulated by annual contribution of 15% of Basic Salary and
b) amount frozen as on 31.03.2009

Defined contribution plans

(C) Provident Fund :-

The Group has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors.

The details of fund and plan asset position as at 31st March 2021 is given below

Particulars	**Year Ended 31.03.2021**	Year Ended 31.03.2020
Present value of benefit obligation at period end (Rs in Lakhs)	**4,341**	3,955
Assumptions used in determining the present value obligation on the interest guarantee under the deterministic approach		
Guaranteed Rate	**8.50%**	8.50%
Average yield rate based on data of investment portfolio	**6.93%**	8.37%
Decrement adjusted average future period of service	**10 years**	19 years
Average maturity period of investment portfolio	**5 years**	3 years
Discount rate	**6.67%**	6.67%

Risk Management

The Defined Benefit Plans expose the Group to risk of actuarial deficit arising out of investment risk, interest rate risk and salary cost inflation risk.

(a) Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government/high quality bond yields; if the return on plan asset is below this rate, it will create a plan deficit.

(b) Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

(c) Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(d) Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation was carried out as at 31st March 2021.

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2021
(All amounts in Rs Lakhs, unless otherwise stated)

28.2 Particulars in respect of post retirement defined benefit plans of the Group are as follows

Description	Superannuation Fund (Funded)		Gratuity Fund (Funded)	
	Year ended 31.03.2021	Year ended 31.03.2020	**Year ended 31.03.2021**	Year ended 31.03.2020
1. Change in the Defined Benefit Obligation				
Present Value of Obligation at the Beginning of the Year	**449**	607	**693**	731
Current Service Cost	**12**	13	**53**	54
Interest Cost	**24**	36	**43**	50
Actuarial (Gain) / Loss	**46**	(26)	**(7)**	(52)
Benefits paid	**(95)**	(181)	**(58)**	(90)
Present Value of Obligation at the end of the Year	**436**	449	**724**	693
2. Change in Plan Assets				
Fair value of Plan Assets at the Beginning of the Year	**480**	661	**406**	501
Expected return on Plan Assets	**26**	40	**25**	33
Actuarial Gain / (Loss)	**(96)**	(50)	**1**	(38)
Contributions by the Employer	**-**	10	**-**	-
Benefits paid	**(95)**	(181)	**(58)**	(90)
Fair value of Plan Assets at the end of the Year	**315**	480	**374**	406

Basis used to determine the Expected Rate of Return on Plan Assets

The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.

Description	Superannuation Fund (Funded)		Gratuity Fund (Funded)	
	As at 31.03.2021	As at 31.03.2020	**As at 31.03.2021**	As at 31.03.2020
3. Amount recognized in Balance Sheet consists of				
Fair value of Plan Assets at the end of the Year	**315**	480	**374**	406
Present Value of Obligation at the end of the Year	**436**	449	**724**	693
(Assets) / Liabilities as per the Actuarial Valuation	**121**	(31)	**350**	287
4. Expenses recognized in the Statement of Profit and Loss consists of -	**Year ended 31.03.2021**	Year ended 31.03.2020	**Year ended 31.03.2021**	Year ended 31.03.2020
Employee Benefits Expenses				
Current Service Cost	**12**	13	**53**	54
Net Interest Cost	**(2)**	(4)	**18**	17
Total [A]	**10**	9	**71**	71
Other Comprehensive Income				
Return on Plan Assets (excluding amounts included in net interest cost)	**95**	50	**(1)**	38
Actuarial (Gain) / Loss from financial assumptions	**19**	51	**1**	(93)
Actuarial (Gain) / Loss from experience adjustments	**26**	(77)	**(9)**	41
Total [B]	**140**	24	**(9)**	(14)
Expense recognized during the year [A+B]	**150**	33	**62**	57

The expense for the Defined Benefits (referred to in para 28.2 above) are included in the line item under 'Contribution to Provident and other Funds' .

(All amounts in Rs Lakhs, unless otherwise stated)

28.2 Contd…

Particulars in respect of post retirement defined benefit plans of the Group are as follows

Description	**Superannuation Fund % Invested**		**Gratuity Fund % Invested**	
5. Investment Details of Plan Assets as at	**31.03.2021**	31.03.2020	**31.03.2021**	31.03.2020
Government of India Securities	**0.63**	0.52	**4.08**	3.73
Public Sector (PSU) Bonds	**25.02**	20.90	**8.17**	7.46
State / Central Government Securities	**21.90**	18.29	**9.94**	9.08
Special Deposit Scheme	**39.62**	33.10	**61.38**	56.11
Others including Bank Balance	**12.83**	27.19	**16.43**	23.62
Total	**100.00**	100.00	**100.00**	100.00
6. Assumptions				
Discount rate per annum	**5.26%**	5.94%	**6.46%**	6.48%
Salary escalation rate per annum	**3.00%**	3.00%	**3.00%**	3.00%
Expected rate of return on Plan Assets per annum	**6.46%**	6.94%	**6.27%**	7.32%
Contributions for next year	**130.85**	-	**423.20**	360.31
Method used	Projected Unit Credit Method		Projected Unit Credit Method	

28.3 The basis used to determine overall expected rate of return on assets and the effect on major categories of Plan Assets is as follows :

The major portions of the assets are invested in PSU Bonds, State and Central Government Securities. Based on the asset allocation and prevailing yield rates on these asset classes, the long term estimate of the expected rate of return on the fund assets have been arrived at. Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching Government Bonds.

28.4 The estimate of future salary increases take into account inflation, seniority, promotion and other relevant reasons.

28.5 Sensitivity Analysis

The Sensitivity Analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the Defined Benefit Obligation has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.

	Year ended 31.03.2021		Year ended 31.03.2020	
	Superannuation Fund	**Gratuity Fund**	Superannuation Fund	Gratuity Fund
1. Discount Rate + 100 basis points	**422.68**	**677.98**	433.54	646.20
2. Discount Rate - 100 basis points	**450.28**	**776.81**	467.53	747.55
3. Salary Increase Rate + 1%	**435.72**	**777.76**	451.48	748.63
4. Salary Increase Rate – 1%	**436.28**	**676.08**	448.40	644.24

28.6 Maturity Analysis of The Benefit Payments

	Year ended 31.03.2021		Year ended 31.03.2020	
	Superannuation Fund	**Gratuity Fund**	Superannuation Fund	Gratuity Fund
1. Year 1	**223.01**	**64.78**	48.84	25.99
2. Year 2	**32.50**	**140.36**	186.99	70.25
3. Year 3	**17.90**	**16.52**	29.01	138.81
4. Year 4	**34.78**	**47.61**	16.06	18.79
5. Year 5	**38.74**	**69.15**	31.11	53.92
6. Next 5 Years	**162.64**	**298.23**	179.74	376.85

(All amounts in Rs Lakhs, unless otherwise stated)

		Year Ended 31.03.2021	Year Ended 31.03.2020
29	**FINANCE COST**		
	On Financial Liability at amortized cost		
	Interest Expenses on:		
	Long Term Loans	**353**	273
	Cash Credits and Short Term Loans	**2,543**	2,382
	Lease	**30**	30
	Related Parties	**-**	4
	Others	**242**	161
	Other Borrowing Costs	**297**	336
			-
	Total	**3,465**	3,186

		Year Ended 31.03.2021	Year Ended 31.03.2020
30	**DEPRECIATION AND AMORTIZATION EXPENSES**		
	Depreciation of Property, Plant and Equipment	**977**	968
	Amortization of Right-of use assets	**94**	91
	Amortization of Intangible Assets	**116**	263
	Total	**1,187**	1,322

		Year Ended 31.03.2021	Year Ended 31.03.2020
31	**OTHER EXPENSES**		
	Consumption of Stores and Spare Parts	**440**	433
	Power and Fuel	**258**	362
	Rent Expenses	**227**	270
	Repairs and Maintenance		
	Buildings	**67**	95
	Plant and Machinery	**223**	242
	Others	**11**	13
		301	350
	Insurance	**80**	62
	Rates and Taxes	**35**	140
	Bank Charges	**330**	172
	Travelling Expenses	**149**	430
	Printing and Stationery	**32**	59
	Freight and Forwarding Charges	**159**	163
	Postage, Telephone and other Communication Expenses	**56**	63
	Advertising	**15**	189
	Sales Commission	**7**	21
	Royalty Expenses	**49**	49
	Professional Fees	**1,031**	525
	Motor Vehicle Expenses	**28**	30
	Bad and Doubtful Trade Receivables / Advances / Claims	**3,574**	4,321
	Warranty Expenses	**54**	141
	Net loss on foreign currency transactions and translation	**60**	3
	Net loss on Fair Valuation of Investments through Profit and Loss	**-**	368
	Loss on Sale of Investment	**-**	70
	Net Loss on property, plant and equipments Sold	**5**	-
	Miscellaneous Expenses	**280**	402
	Total	**7,170**	8,623

31.1	Professional Fees include :		
	Payment to auditors		
	- For Audit	**35**	31
	- For Taxation Matters	**4**	4
	- For Limited Reviews	**14**	14
	- For Certification Fees	**2**	1
	- Expenses Reimbursed	**1**	1

32 EXCEPTIONAL ITEMS		**Year Ended 31.03.2021**	Year Ended 31.03.2020
Profit on Sale of Property, Plant and Equipment		**224**	-
	TOTAL	**224**	-

32.1 Exceptional item represents gain of Rs. 224 lakhs towards sale of a property, registered and owned by the Company, TIL Limited, admeasuring 4636 square feet carpet area, situated at Unit No. 502-A. 5th Floor, Western Edge Tower No.1, Dutta Para Road, Borivali (East),

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2021
(All amounts in Rs Lakhs, unless otherwise stated)

		As at 31.03.2021	As at 31.03.2020
33.1	**Contingent Liabilities in respect of**		
a.	Sales Tax / Value Added Tax Matters under dispute [Related payments Rs. 200 Lakhs (31.03.2020: Rs. 5 Lakhs)]	**3,508**	3,508
b.	Income Tax Matters under dispute [Related payments (including amounts adjusted by the Department) Rs. 256 Lakhs (31.03.2020: Rs. 256 Lakhs)]	**267**	267
c.	Service Tax Matters under dispute [Related payments Rs. 26 Lakhs (31.03.2020: Rs. 26 Lakhs)]	**667**	667

Future cash outflows in respect of the above matters are determinable only on receipts of judgments / decisions pending at various forums / authorities. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and result of operations.

33.2 Based on legal proceedings initiated by the Employees' Union / Association and the interim order of the Hon'ble Calcutta High Court dated 22nd December 2006 and 18th April 2007 restraining the Group from making any contribution / deduction towards Employees' State Insurance in respect of its Kamarhatty (with effect from October 2006) and Taratolla (with effect from March 2007) units, in respect of employees whose monthly salaries (i.e. basic, dearness allowance and overtime) are between Rs.7,501 and Rs.10,000, no contributions / deductions have been made and deposited with the appropriate authorities. The related amounts involved as on 31st March 2021 being Employer's share Rs 4 Lakhs (31.03.2020: Rs. 4 Lakhs) and Employees' share Rs. 1 Lakh (31.03.2020: Rs. 1 Lakh).

33.3 Consequent to enhancement of Employees' State Insurance benefit ceiling for 'Employee Wages' from Rs. 10,000 to Rs. 15,000 per month with effect from 1st May 2010, legal proceedings have been initiated by the Employees' Union / Association of the Group and an interim order dated 13th August 2010 has been issued by the Hon'ble Calcutta High Court in this regard, restraining the Group from making contribution / deduction towards Employees' State Insurance in respect of employees whose monthly salaries (i.e. basic, dearness allowance and overtime) are between Rs.10,001 and Rs.15,000. In view of the said Order, the Group has neither deducted from the certain concerned employees nor contributed its own share to the Employees State Insurance Scheme with effect from 1st August 2010, the related amounts involved as on 31st March 2021 being Employer's share Rs.3 Lakhs (31.03.2020: Rs. 3 Lakhs) and Employees' share Rs.1 Lakh (31.03.2020: Rs. 1 Lakh).

33.4 Pursuant to final Order passed by the Single Bench of Hon'ble Calcutta High Court, the Group has stopped paying Tax on procurement of Indigenous and Imported Goods into West Bengal, with effect from 1st June, 2013. The writ petition No. 922 of 2012 filed by TIL has been treated as disposed of in the High Court and the records thereof have been sent to the WB Taxation Tribunal. TIL has filed a petition before the West Bengal Taxation Tribunal. The related unpaid amount till 31st March 2021 is Rs. 632 Lakhs (31.03.2020 : Rs. 632 Lakhs)

34 Information given in accordance with the requirements of Ind AS 108 on Segment Reporting
The operations of the Group pertains only to Material Handling Solutions (i.e. manufacturing and marketing of various Material Handling Equipments namely Mobile Cranes, Port Equipments, Self Loading Truck Cranes, Road Construction Equipments, etc. and dealing in spares and providing services to related equipments). Further, the Group's principal geographical area of operations is within India. Accordingly, the Group has only one reportable segment as envisaged in Ind AS 108 on 'Segment Reporting' and information pertaining to segment is not applicable for the Group.

(All amounts in Rs Lakhs, unless otherwise stated)

35 Capital Management

The Group aims at maintaining a strong capital base maximizing shareholders' wealth safeguarding business continuity and augments its internal generations with a judicious use of borrowing facilities to fund spikes in working capital that arise from time to time as well as requirements to finance business growth.

The Group determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through cash generated from operations, long term and short term borrowings from banks and financial institutions.

The capital structure of the Group consists of net debt (borrowings as detailed in notes 17 and 21 offset by cash and cash equivalents in note 14-A and 14-B) and total equity of the Group.

Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances (including non-current earmarked balances).

The table below summarises the capital, net debt and net debt to equity ratio of the Group.

	As at 31.03.2021	As at 31.03.2020
Equity Share Capital	**1,003**	1,003
Other Equity	**21,987**	28,911
Total Equity (A)	**22,990**	29,914
Non Current Borrowings	**11,784**	4,066
Short Term Borrowings	**24,041**	23,989
Current Maturities of Long Term Borrowings	**1,296**	814
Gross Debts (B)	**37,121**	28,869
Total Capital (A+B)	**60,111**	58,783
Gross Debt as above	**37,121**	28,869
Less: Current investment	**3,517**	2,821
Less: Cash and Cash Equivalents	**46**	977
Less: Other Balances with Bank (including non-current earmarked balances)	**925**	563
Net Debt (C)	**32,633**	24,508
Net Debt to Equity	**1.23**	0.89

Net debt to equity as at 31.03.2021 and 31.03.2020 has been computed based on average Equity Share Capital.

36 Financial Instruments And Related Disclosures

This section gives an overview of the significance of financial instruments for the Group and provides additional information on Balance Sheet items that contain financial instruments
The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized in respect of each class of Financial asset, Financial liability and Equity Instrument are disclosed in Note 2 to the financial statements.

(All amounts in Rs Lakhs, unless otherwise stated)

A) <u>Categories of Financial Instruments</u>

Set out below, is a comparison by class of the carrying amounts and fair value of the Group’s financial instruments:

	As at 31.03.2021		As at 31.03.2020	
	Carrying Value	**Fair Value**	Carrying Value	Fair Value
Financial Assets				
a) Measured at Amortized Cost				
i) Cash and Cash Equivalents	**46**	**46**	977	977
ii) Other Bank Balances	**514**	**514**	437	437
iii) Trade Receivables	**23,823**	**23,823**	21,116	21,116
iv) Other Financial Assets	**1,074**	**1,074**	844	844
Sub-total	**25,457**	**25,457**	23,374	23,374
b) Measured at Fair Value through Profit or Loss				
i) Investment in Equity Shares	**3,517**	**3,517**	2,821	2,821
ii) Investment in Mutual Fund	**198**	**198**	204	204
iii) Investment in Bond	**3,310**	**3,310**	2,613	2,613
iv) Derivative Instruments not designated as Hedging Instruments	**3**	**3**	-	-
Sub-total	**7,028**	**7,028**	5,638	5,638
Total Financial Assets	**32,485**	**32,485**	31,095	29,012
Financial Liabilities				
a) Measured at Amortized Cost				
i) Borrowings	**35,825**	**35,825**	28,055	28,055
ii) Trade Payables	**8,110**	**8,110**	11,791	11,791
iii) Other Financial Liabilities	**1,380**	**1,380**	962	962
Sub-total	**45,315**	**45,315**	40,808	40,808
Total Financial Liabilities	**45,315**	**45,315**	40,808	40,808

The management assessed that cash and cash equivalents, trade receivables, trade payables, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of loans from banks, trade payables and other financial liabilities, as well as other non-current financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments are also responsive to a probable change within reason, in the growth rates. Management regularly assesses a range of alternatives that are more than remote but less than likely occurrences for those significant unobservable inputs and determines their impact on the total fair value.

The fair values of the Group’s interest-bearing borrowings and loans are determined by using Discounted Cash flow Method using discount rate that reflects the issuer’s borrowing rate as at the end of the reporting period. The own non-performance risk as at 31st March 2021 was assessed to be insignificant. The discount for lack of marketability represents the amounts that the Group has determined that market participants would take into account when pricing the investments.

B) Financial risk management objectives

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group continues to focus on a system-based approach to business risk management. The Group's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management System rests on policies and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

(All amounts in Rs Lakhs, unless otherwise stated)

a) Market risk

The Group's Financial Instruments are exposed to market changes. The Group is exposed to the following significant market risk:

Foreign Currency Risk
Interest Rate Risk
Other Price Risk

Market Risk Exposures are measured using sensitivity analysis. There has been no change to the Group's exposure to market risks or the manner in which these risks are being managed and measured.

Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:
Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

	As at 31.03.2021			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial Assets				
Investment in Equity Shares	**3,517**	**-**	**-**	**3,517**
Derivative Instruments not designated as Hedging Instruments	**-**	**3**	**-**	**3**
Investment in Mutual Funds	**198**	**-**	**-**	**198**
Investment in Bonds	**-**	**3,310**	**-**	**3,310**
	3,715	**3,313**	**-**	**7,028**

	As at 31.03.2020			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in Equity Shares	2,821	-	-	2,821
Investment in Mutual Funds	204	-	-	204
Investment in Bonds	-	2,613	-	2,613
	3,025	2,613	-	5,638

Foreign currency risk

The Group undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and reinstatement risks arising from recognized assets and liabilities, which are not in the Company's functional currency (Indian Rupees).
A significant portion of these transactions are in US Dollar, Euro, etc. The carrying amount of foreign currency denominated financial assets and liabilities including derivative contracts, are as follows:

(All amounts in Rs Lakhs, unless otherwise stated)

As at 31.03.2021	**USD**	**Euro**	**Others#**	**Total**
Financial Assets	**30**	**620**	**-**	**650**
Financial Liabilities	**527**	**1,846**	**35**	**2,408**
As at 31.03.2020	USD	Euro	Others#	Total
Financial Assets	19	998	-	1,017
Financial Liabilities	511	2,068	*	2,579

Others primarily include GBP-Great Britain Pound, SGD-Singapore Dollar and SEK-Swedish Krona

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions.

The Group enters into foreign exchange forward contracts with the intention to reduce the foreign exchange risk of expected sales and purchases, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

Particulars	**As at 31.03.2021**	As at 31.03.2020
Forward contract (Buy USD)	**-**	-
Forward contract (Sale USD)	**-**	-
Forward contract (Buy EUR)	**250**	-
Forward contract (Sale EUR)	**-**	-

Un-hedged Foreign Currency balances:		**As at 31.03.2021**	As at 31.03.2020
(i) Financial Liabilities:	USD	**527**	511
	EUR	**1,596**	2,068
	Others#	**35**	*
(ii) Financial Assets	USD	**30**	19
	EUR	**620**	998

Others primarily include GBP-Great Britain Pound, SGD-Singapore Dollar and SEK-Swedish Krona

Foreign currency sensitivity

Foreign Currency Sensitivities for unhedged exposure (impact on increase in 2%)

	As at 31.03.2021	As at 31.03.2020
USD	(10)	(10)
EUR	(20)	(21)
Others#	1	*

Others primarily include GBP-Great Britain Pound, SGD-Singapore Dollar and SEK-Swedish Krona
*Amount is below the rounding off norm adopted by the Group.

Note: If the rate is decreased by 2%, profit of the Group will increase by an equal amount.
Figures in brackets indicate decrease in profit.

Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The objectives of the Group's interest rate risk management processes are to lessen the impact of adverse interest rate movements on its earnings and cash flows and to minimise counter party risks.
All the borrowings availed by the Group have a fixed interest rate throughout the respective financial year. Further, the Group operates with banks having superior credit rating in the market.

Interest Rate Sensitivities for outstanding exposure

	As at 31.03.2021	As at 31.03.2020
INR	*	*
EURO	*	*
USD	*	*

* All the borrowings availed by the Group have a fixed interest rate throughout the respective financial year. Considering the same, no interest rate sensitivity arises and there is no impact of the same on the financial statements of the Group.

Price risk

Equity price risk is related to change in market reference price of investments in equity securities held by the Group. The fair value of quoted investments held by the Group exposes the Group to equity price risks. In general, these investments are not held for trading purposes. The fair value of quoted investments in equity, classified as fair value through Profit & Loss as at 31 March 2021 is Rs. 9 Lakhs (31.03.2019 : Rs. 4 Lakhs)

b) Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting its obligations. The Group mitigates its liquidity risks by ensuring timely collections of its trade receivables, close monitoring of its credit cycle and ensuring optimal movements of its inventories. The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date

		As at 31.03.2021		As at 31.03.2020	
		Current	**Non-Current**	Current	Non-Current
A.	**Financial assets**				
	i) Cash and Cash Equivalents	**46**	**-**	977	-
	ii) Other Bank Balances	**514**	**411**	437	126
	iii) Trade Receivables	**23,823**	**-**	21,116	-
	iv) Other Financial Assets	**404**	**249**	460	248
	v) Investment in Equity Shares	**3,517**	**-**	2,821	-
	vi) Investment in Mutual Funds	**-**	**198**	-	204
	vii) Investment in Bonds	**-**	**3,310**	-	2,613
	viii) Derivative Instruments not designated as Hedging Instruments	**3**	**-**	-	-
	Total	**28,307**	**4,168**	25,811	3,191
B.	**Financial Liabilities**				
	i) Borrowings	**24,041**	**11,784**	23,989	4,066
	ii) Trade Payables	**8,110**	**-**	11,791	-
	iii) Other Financial Liabilities	**1,380**	**-**	962	-
	Total	**33,531**	**11,784**	36,742	4,066

The management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

c) Credit risk

Credit risk is the risk that counter party will not meet its obligations leading to a financial loss. The Group has its policies to limit its exposure to credit risk arising from outstanding receivables. Management regularly assess the credit quality of its customers, on the basis which the terms of payment are decided. Credit limits are set for each customer which are reviewed at periodic intervals.

	As at 31.03.2021	As at 31.03.2020
Opening Balance	**6,325**	2,118
Add: Provisions made	**3,545**	4,207
Less: Utilisation made for impairment / derecognition	**(2,704)**	-
Closing Balance	**7,166**	6,325

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to Consolidated Financial Statements for the Year Ended 31st March 2021
(All amounts in Rs Lakhs, unless otherwise stated)

37 Related Party Disclosures

I) List of Related Parties

Subsidiary	TIL Overseas Pte. Limited
Key Management Personnel	Mr. Sumit Mazumder (Chairman & Managing Director) Mr. Shibadity Ghosh (Chief Financial Officer)# Mr. Sekhar Bhattacharjee (Company Secretary) Mr. Ramesh Aggarwal (CEO) * # Appointed since 29th June 2020. * Resigned since 29th June 2020.
Enterprises over which Key Management Personnel are able to exercise significant influence	TIL Welfare Trust Gokul Leasing and Finance Private limited

II) Particulars of transactions during the six months ended 31st March 2021

Particulars	Year Ended 31.03.2021	Year Ended 31.03.2020
a) Loans and advance from Key Management Personnel / Associated Company		
Loan From Director	**6,472**	**650**
Loan from Associated Company	**515**	**400**
b) Interest Expenses for Loan from CMD and Associated Company		
Loan From Director	**-**	**2**
Loan from Associated Company	**-**	**2**
c) Managerial Remuneration to Key Management Personnel		
Short Term Benefits	**191**	**526**
Post Employment Benefits	**8**	**9**
Other Long Term Benefits	**12**	**18**
d) Year end balance		
1) Loan and interest from CMD and Associated Company		
Loan From Director	**7,124**	**652**
Loan from Associated Company	**917**	**402**
2) Payables to Key Management Personnel		
Short Term Benefits	**3**	**44**
Post Employment Benefits	**107**	**129**
Other Long Term Benefits	**119**	**160**

38 Earnings Per Share (EPS) - The Numerators And Denominators Used To Calculate Basic And Diluted EPS

			Year Ended Ended 31.03.2021	Year Ended Ended 31.03.2020
	Profit after Tax attributable to the Equity Shareholders	**A**	**(6,848)**	(1,850)
	Basic and Diluted			
i.	Number of Equity Shares at the beginning of the year		**1,00,30,265**	1,00,30,265
ii.	Number of Equity Shares issued during the year		**-**	-
iii.	Number of Equity Shares at the end of the year		**1,00,30,265**	1,00,30,265
iv.	Weighted average number of Equity Shares outstanding during the year	**B**	**1,00,30,265**	1,00,30,265
v.	Nominal Value of each Equity Share (Rs.)		**10**	10
	Basic and Diluted Earnings per Share (Rs.)	**A/B**	**(68.27)**	(18.44)

39

Name of the entity	Net Assets		Share in profit or loss		Share in Other Comprehensive Loss (OCL)		Share in Total Comprehensive Income (TCI)	
	As a % of Net Asset	Amount in Rs. Lakh	As a % of Profit or Loss	Amount in Rs. Lakh	As a % of OCL	Amount in Rs. Lakh	As a % of TCI	Amount in Rs. Lakh
Parent:								
TIL Limited								
31.03.2021	**93%**	**21,393**	**98%**	**(6,702)**	**13%**	**(10)**	**97%**	**(6,712)**
31.03.2020	94%	28,105	151%	(2,797)	-3%	(6)	168%	(2,803)
Subsidiary:								
TIL Overseas Pte. Ltd.								
31.03.2021	**9%**	**1,974**	**0%**	**31**	**87%**	**(66)**	**1%**	**(35)**
31.03.2020	7%	2,234	13%	(233)	103%	190	3%	(43)
Consolidation adjustment								
31.03.2021	**-2%**	**(377)**	**3%**	**(177)**	**0%**	**-**	**3%**	**(177)**
31.03.2020	-1%	(425)	-64%	1,180	0%	-	-71%	1,180
Total								
31.03.2021	**100%**	**22,990**	**100%**	**(6,848)**	**100%**	**(76)**	**100%**	**(6,924)**
31.03.2020	100%	29,914	100%	(1,850)	100%	184	100%	(1,666)

40 COVID-19 pandemic has Impacted businesses globally. The Group's manufacturing operations remained shut during the initial phase of lockdown. Subsequent to Financial Year 2019-20, pursuant to several relaxations granted by the Government of India, Group's facilities were gradually reopened following government advisories and local government directives with regard to workplaces. The Group is actively monitoring its various business activities and its related Impact on account of this pandemic. In assessing the recoverability of its assets including receivables and inventory, the Group has considered internal and external information upto the date of approval of these financial statements including economic forecasts. The Group has performed analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

41 The Central Government has published The Code on Social Security, 2020 and Industrial Relations Code, 2020 ("the Codes") in the Gazette of India, inter alia, subsuming various existing labour and industrial laws which deals with employees related benefits including post - employment. The effective date of the code and the rules are yet to be notified. The impact of the legislative changes, if any, will be assessed and recognised post notification of the relevant provisions.

42 Previous year's figures have been regrouped / reclassified wherever necessary to confirm with current year classification / disclosure.

43 The Consolidated Financial Statements were approved by the Board of Directors on 31st May 2021.

Signatures to Notes '1' to '43'

For and on behalf of the Board of Directors of **TIL Limited**

Sumit Mazumder
Chairman & Managing Director
(DIN:00116654)

Shibaditya Ghosh
Chief Financial Officer

Sekhar Bhattacharjee

Company Secretary

Kolkata
31st May 2021

INDEPENDENT AUDITORS' EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
TIL LIMITED

Dear Sirs,

1. We, **V. Singhi & Associates, Chartered Accountants** ("we" or "us"), have examined the attached Restated Consolidated Financial Information of **TIL Limited** ("**the Company**"), and its subsidiary (the Company and its subsidiary together referred to as "**the Group**") comprising Restated Consolidated Statement of Assets and Liabilities as at December 31, 2023, March 31, 2023, 2022, and 2021, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows for the nine month period ended December 31, 2023 and for the years ended March 31, 2023, 2022, and 2021, and the Summary of Significant Accounting Policies and other explanatory information (collectively, the "**Restated Consolidated Financial Information**"), as approved by the Board of Directors of the Company at their meeting held on February 14, 2024 for the purpose of inclusion in the Draft Letter of Offer and the Letter of Offer (collectively, the "Offer Documents") prepared by the Company in connection with its proposed Right Issue of equity shares of the Company (the "Issue") prepared in terms of the requirements of :

    a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the **Act**");

    b) The Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2018, as amended (**the** "**ICDR Regulations**"); and

    c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended from time to time (the "**Guidance Note**").

2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the Offer Documents to be filed with securities and Exchange of India, BSE Limited, National Stock Exchange of India Limited and Register of Companies in connection with the proposed Issue. The Restated Consolidated Financial Information have been prepared by the management of the Company on the Basis of Preparation as stated in Note 2.2 to the Restated Consolidated Financial Information. The Responsibility of the respective Board of Directors of the companies included in the Group includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Consolidated Financial Information taking into consideration:

    a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated February 10, 2024 in connection with the proposed Right Issue of the Company;

    b) The Guidance Note which also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

    c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and

    d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting the responsibilities in relation to its compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the Issue.

4. These Restated Consolidated Financial Information have been complied by the management of the Company from the Audited consolidated IND AS financial statements of the Group as at and for the years ended March 31, 2023, 2022, and 2021, prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act,2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on May 26, 2023, September 19, 2022, and May 31, 2021.

5. For the purpose of our examination, we have relied on Auditors' report issued by **Singhi & Co.** dated May 26, 2023 and September 19, 2022 and **Deloitte Haskins & Sells** dated May 31, 2021, on the consolidated financial statements of the Group as at and for the years ended March 31, 2023, 2022, and 2021, respectively, as referred in Paragraph 4 above. These reports were containing qualified opinion, disclaimer of opinion and unmodified opinion respectively.

6. As indicated in the Audit Reports referred above,

    We did not audit the financial statements of the subsidiary company for the nine month period ended December 31, 2023 and for each of the years ended March 31, 2023, 2022 and 2021 whose financial statements reflect total assets, total revenues and net cash flows included in the Consolidated Ind AS financial statements for the relevant years is as tabulated below

(Rs in Lakhs)

Particulars	As at/ for the nine month period ended December 31, 2023	As at/ for the year ended March 31, 2023	As at/ for the year ended March 31, 2022	As at/ for the year ended March 31, 2021
Total assets	18,606	19,589	21,954	33,034
Total revenue	3,548	4,383	6,624	31,323
Net cash inflows/ (outflows)		26	63	(909)

These financial statements have been audited by other auditors, whose reports have been furnished to us by the management and our opinion on the Consolidated Ind AS financial statements for the relevant years/ periods, in so far as it relates to the amounts and disclosures included in respect of the subsidiary companies, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report to the other auditor.

7. Based on our examination and according to the information and explanations given to us, we report that the restated Consolidated Financial Information:

   a) have been prepared after incorporating adjustments for the change in accounting policies and regrouping/reclassifications retrospectively in the financial years ended March 31, 2023, 2022 and 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the nine month period ended December 31, 2023; and

   b) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

8. The Restated Consolidated Financial Information reflect the effects of events that occurred subsequent to the date of the reports on the audited Consolidated Ind AS Financial Statements mentioned in paragraph 4 above.

9. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11. Our report is intended solely for use of the Board of Directors of the Company for inclusion in Offer Documents to be filed with Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited and Registrar of Companies, in connection with the proposed issue. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without or prior consent in writing.

For V Singhi & Associates
Chartered Accountants
Firm Registration No.: 311017E

(SUNIL SINGHI)
Partner
Membership No.: 060854
UDIN:

Place: Kolkata
Date: XX-XX-2024

TIL LIMITED
CIN: L74999WB1974PLC041725
Restated Consolidated Summary Statement of Assets and Liabilities
(All amounts in Rs Lakhs, unless otherwise stated)

	Particulars	Note No.	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
A	**ASSETS**					
1	**Non-Current Assets**					
	(a) Property, Plant and Equipment	4	9,078	9,589	10,546	11,309
	(b) Capital Work-In-Progress	6	27	27	27	227
	(c) Right-of-use Assets	4.1	1,361	1,011	1,268	537
	(d) Intangible Assets	7	-	-	46	107
	(e) Investment in Subsidiary	8-A	-	-	-	-
	(e) Financial Assets					
	(i) Investments	8-A	-	-	-	-
	(ii) Others	9-A	37	148	582	670
	(f) Deferred Tax Assets (Net)	10-B	4,986	3,896	3,242	(801)
	(g) Income Tax Assets (Net)	10-A	-	704	437	591
	(h) Other Non-Current Assets	11-A	86	29	21	424
	Total Non-Current Assets		**15,575**	**15,404**	**16,169**	**13,064**
2	**Current Assets**					
	(a) Inventories	12	13,211	14,068	16,430	21,707
	(b) Financial Assets					
	(i) Investments	8-B	63	67	98	3,517
	(ii) Trade Receivables	13	2,769	3,019	2,609	6,524
	(iii) Cash and Cash Equivalents	14-A	42	132	97	46
	(iv) Bank balances other than (iii) above	14-B	8	8	364	514
	(v) Others	9-B	338	274	266	404
	(c) Other Current Assets	11-B	2,175	2,021	2,090	322
	Total Current Assets		**18,606**	**19,589**	**21,954**	**33,034**
3	**Assets Held for Sale**	4.3	**-**	**419**	**-**	**3,634**
	TOTAL ASSETS		**34,181**	**35,412**	**38,123**	**49,732**
B	**EQUITY AND LIABILITIES**					
1	**Equity**					
	(a) Equity Share Capital	15	1,003	1,003	1,003	1,003
	(b) Other Equity	16	(15,729)	(24,465)	(14,208)	(2,768)
	Total Equity		**(14,726)**	**(23,462)**	**(13,205)**	**(1,765)**
2	**Non-Current Liabilities**					
	(a) Financial Liabilities					
	(i) Borrowings	17-A	9,857	8,816	10,054	11,452
	(ii) Lease Liabilities	20-A	1,348	957	875	224
	(b) Provisions	18-A	533	503	512	608
	Total Non-Current Liabilities		**11,738**	**10,276**	**11,441**	**12,284**
3	**Current Liabilities**					
	(a) Financial Liabilities					
	(i) Borrowings	17-B	12,364	24,859	22,089	25,337
	(ii) Lease Liabilities	20-B	100	94	111	39
	(iii) Trade Payables	19				
	A) Total outstanding dues of micro enterprises and smallenterprises		432	395	382	507
	B) Total outstanding dues of Creditors other than micro enterprises and small enterprises		15,111	12,162	8,922	7,603
	(iv) Other Financial Liabilities	21	354	2,512	431	84
	(b) Other Current Liabilities	22	7,951	8,488	7,913	5,435
	(c) Provisions	18-B	88	88	39	208
	(d) Current Tax Liabilities	10-A	769	-	-	-
	Total Current Liabilities		**37,169**	**48,598**	**39,887**	**39,213**
	TOTAL EQUITY AND LIABILITIES		**34,181**	**35,412**	**38,123**	**49,732**

Significant accounting policy and accompanying notes (1 to 48) forming an integral part of the Consolidated Financial Statements.

In terms of our report of even date attached

For V. Singhi & Associates
Chartered Accountants
Firm's Registration No. 311017E

For and on behalf of Board of Directors
of **TIL Limited**

SUNIL KUMAR CHATURVEDI
Chairman & Managing Director

Sunil Singhi
Partner
Membership No. 060854

AYAN BANERJEE
Director Finance

Kolkata

Sekhar Bhattacharjee
Company Secretary

TIL LIMITED
CIN: L74999WB1974PLC041725
Restated Consolidated Summary Statement of Profit and Loss
(All amounts in Rs Lakhs, unless otherwise stated)

	Particulars	Note No.	Period Ended 31.12.2023	Year Ended 31.03.2023	Year Ended 31.03.2022	Year Ended 31.03.2021
I.	Revenue from Operations	23	3,548	4,383	6,624	31,323
II.	Other Income	24	17,938	670	5,600	952
III.	**Total Revenue (I + II)**		**21,486**	**5,053**	**12,224**	**32,275**
IV.	**Expenses**					
	Cost of Materials Consumed	25	2,498	1,173	2,181	9,413
	Purchases of Stock-In-Trade	26	341	309	2,004	10,488
	Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress	27	(394)	1,604	(1,002)	234
	Employee Benefits Expense	28	2,349	3,673	5,536	5,528
	Finance Costs	29	2,833	4,319	3,963	3,465
	Depreciation and Amortization Expense	30	542	895	995	1,187
	Other Expenses	31	3,545	3,247	17,183	11,958
	Total Expenses (IV)		**11,714**	**15,220**	**30,860**	**42,273**
V.	**Profit/(Loss) Before Exceptional Items and Tax (III - IV)**		**9,772**	**(10,167)**	**(18,636)**	**(9,998)**
VI.	**Exceptional Items**	32	-	-	-	-
VII.	**Profit/(Loss) Before Tax (After Exceptional Items) [V-VI]**		**9,772**	**(10,167)**	**(18,636)**	**(9,998)**
VIII.	**Tax (Benefits) / Expenses**					
	Current Tax		1,509	-	-	-
	Income tax relating to earlier years		-	-	172	3
	Deferred Tax	10-B	(1,061)	(613)	(4,015)	5,063
	Total Tax (Benefits) / Expenses (VIII)		**448**	**(613)**	**(3,843)**	**5,066**
IX.	**Profit / (Loss) for the year (VII-VIII)**		**9,324**	**(9,554)**	**(14,793)**	**(15,064)**
X.	**Other Comprehensive Income**					
	A. Items that will not be reclassified to the Statement of Profit and Loss					
	Remeasurement of the defined benefit plans		(84)	(112)	(79)	(15)
	(ii) Equity instruments through other comprehensive income		-	-	-	-
	B. Income tax relating to items that will not be reclassified to the Statement of Profit and Loss		29	39	28	5
	C. Items that will be reclassified to the Statement of Profit and Loss					
	Exchange differences in translating the financial statements of foreign operations		2	37	80	(66)
	D. Income tax relating to items that will be reclassified to the Statement of Profit and Loss		-	-	-	-
	Total Other Comprehensive Income (X)		**(53)**	**(36)**	**29**	**(76)**
XI.	**Total Comprehensive Income for the year (IX + X)**		**9,271**	**(9,590)**	**(14,764)**	**(15,140)**
XI.	**Earnings Per Equity Share (Face Value of Rs. 10/-)**					
	Basic and Diluted	44	92.96	(95.25)	(147.48)	(68.27)

Significant accounting policy and accompanying notes (1 to 48) forming an integral part of the Consolidated Financial Statements.

In terms of our report of even date attached

For V. Singhi & Associates
Chartered Accountants
Firm's Registration No. 311017E

Sunil Singhi
Partner
Membership No. 060854

Kolkata

For and on behalf of Board of Directors
of **TIL Limited**

SUNIL KUMAR CHATURVEDI
Chairman & Managing Director

AYAN BANERJEE
Director Finance

Sekhar Bhattacharjee
Company Secretary

TIL LIMITED
CIN: L74999WB1974PLC041725
Restated Consolidated Summary Statement of Cash Flows
(All amounts in Rs Lakhs, unless otherwise stated)

Particulars	Period Ended 31.12.2023		Year Ended 31.03.2023		Year Ended 31.03.2022		Year Ended 31.03.2021	
A Cash Flow from Operating Activities								
Profit / (Loss) Before Tax and Exceptional Items				**(10,167)**		**(18,636)**		**(9,998)**
Adjustments for:								
Depreciation and Amortization Expense			895		995		1,187	
Finance Costs			4,319		3,963		3,465	
Loss on Write off of Inventory			-		-		-	
Liabilities Written Off			-		(4,476)		-	
Net (Gain) / Loss on Fair Valuation of investments through Profit and Loss			(3)		(4)		(366)	
Net (Gain) / Loss on Assets Held for Sale			-		(283)		(224)	
Unrealized Foreign Exchange (Gain) / Loss (Net)			108		57		47	
Provisions / Liabilities no longer required written back			(536)		(610)		-	
(Gain) / Loss on Sale of Investment			-		(72)		(1)	
Bad and Doubtful Trade Receivables / Advances / Claims			1,028		6,035		3,574	
Provision for Impairment of Investment			-		-		(37)	
Interest Income			(39)		(79)		(130)	
Dividend Income			-		(27)		5	
(Profit) / Loss on Sale of Property, Plant & Equipment (Net)			4		(1)		-	
Income from Exceptional Items			-		-		-	
(Gain) / Loss on Modification / Termination on Lease Assets			(3)		275		-	
(Gain) / Loss on Fair Valuation of Derivatives not designated as Hedging							(3)	
Instruments through Profit and Loss			-		3		186	
Other Non Cash Adjustment			-		18,918		4,788	
				5,773		24,694		12,491
Operating Profit before Working Capital Changes				**(4,394)**		**6,058**		**2,493**
Changes in Working Capital								
Trade Receivables, Loans, Advances and Other Assets			(1,454)		(7,896)		(7,070)	
Inventories			2,360		(4,642)		(333)	
Trade Payables, Other Liabilities and Provisions			4,253		3,835		(978)	
				5,159		(8,703)		(8,381)
Cash Generated from Operations				**765**		**(2,645)**		**(5,888)**
Income Tax Paid (Net)				(205)		(18)		(239)
Net Cash Flows used in Operating Activities (A)				**560**		**(2,663)**		**(6,127)**
B Cash Flow from Investing Activities								
Purchase of Property, Plant and Equipment, Intangibles etc.			-		3		178	
Sale of Property, Plant & Equipment			8		4,000		917	
Margin Money / Bank Deposits not considered as Cash and Cash Equivalents			763		43		(362)	
Interest Received			39		79		37	
Dividend Received			-		27		130	
Purchase of Investment			-		-		-	
(Purchase)/Sale of Investments			41		3,574		(423)	
Proceeds on disposal of Discontinued Operations (Net)			-		-		-	
Net Cash Flows used in Investing Activities (B)				**851**		**7,726**		**477**
C Cash Flow from Financing Activities								
Repayment of Long Term Borrowings			-		(1,776)		(3,262)	
Proceeds from Long Term Borrowings			55		4,476		11,462	
Repayment of Lease Liabilities			(100)		(99)		(68)	
Proceeds from Short Term Borrowings (Net)			101		(4,433)		106	
Finance Costs Paid			(1,441)		(3,168)		(3,497)	
Dividend and Tax Paid			-		-		-	
Net Cash Flows from Financing Activities (C)				**(1,385)**		**(5,000)**		**4,741**
Net Increase in Cash and Cash Equivalents (A+B+C)				26		63		(909)
Cash and Cash Equivalents at the beginning of the year				97		46		977
Effect for Foreign Exchange Fluctuation				9		(12)		(22)
Cash and Cash Equivalents at the end of the period				**132**		**97**		**46**
Cash and Cash Equivalents comprises								
Cash in hand				1		3		5
Balance with Banks				131		94		41
				132		**97**		**46**

a) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'
b) The composition of Cash & Cash Equivalent has been determined based on the Accounting Policy No. 2.22.
c) Figures for the previous year have been re-grouped wherever considered necessary.
d) Income Taxes paid /Refund received (net) are treated as arising from operating activities and are not bifurcated between investing and financing activities.
e) As per Ind AS 7, the Group is required to provide disclosures that enable users of Financial Statements to evaluate changes in liabilities arising from financing

Significant accounting policy and accompanying notes (1 to 48) forming an integral part of the Consolidated Financial Statements.

In terms of our report of even date attached

For and on behalf of Board of Directors
of **TIL Limited**

For V. Singhi & Associates
Chartered Accountants
Firm's Registration No. 311017E

Sunil Singhi
Partner
Membership No. 060854

SUNIL KUMAR CHATURVEDI
Chairman & Managing Director

AYAN BANERJEE
Director Finance

Kolkata

Sekhar Bhattacharjee
Company Secretary

TIL LIMITED
CIN: L74999WB1974PLC041725
Restated Consolidated Summary Statement of Changes in Equity
(All amounts in Rs Lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Balance as at 01.04.2023	Changes in equity share capital during the year	Balance as at 31.12.2023
1,003	-	1,003

Balance as at 01.04.2022	Changes in equity share capital during the year	Balance as at 31.12.2023
1,003	-	1,003

Balance as at 01.04.2021	Changes in equity share capital during the year	Balance as at 31.12.2022
1,003	-	1,003

Balance as at 01.04.2020	Changes in equity share capital during the year	Balance as at 31.12.2021
1,003	-	1,003

B. OTHER EQUITY

	Reserve and Surplus								Items of Other Comprehensive Income	
	Securities Premium	Capital Reserve	Capital Redemption Reserve	Development Rebate Reserve	Amalgamation Reserve	General Reserve	Retained Earnings	Equity Component of Financial Liability	Foreign Currency Translation Reserve	Total Equity
Balance as at 31.03.2020	1,934	878	400	1	20	3,013	(1,438)	-	2,839	7,647
Profit for the year	-	-	-	-	-	-	(15,064)	-	-	(15,064)
Additions during the Year	-	-	-	-	-	-	-	4,725.00	-	4,725
Other Comprehensive Income for the year (net of tax)	-	-	-	-	-	-	(10)	- -	(66)	- (76)
Total Comprehensive Income	-	-	-	-	-	-	(6,858)	-	(66)	(6,924)
Balance as at 31.03.2021	1,934	878	400	1	20	3,013	(8,296)	4,725	2,773	5,448
Loss for the year	-	-	-	-	-	-	(14,793)	-	-	(14,793)
Additions during the Year	-	-	-	-	-	-	-	3,324		3,324
Other Comprehensive Income for the year (net of tax)	-	-	-	-	-	-	(51)	- -	80	29
Balance as at 31.03.2022	1,934	878	400	1	20	3,013	(23,140)	8,049	2,853	(5,992)
Loss for the year	-	-	-	-	-	-	(9,554)	-	-	(9,554)
Deletions during the Year	-	-	-	-	-	-	-	(667)		(667)
Other Comprehensive Income for the year (net of tax)	-	-	-	-	-	-	(73)	-	37	(36)
Balance as at 31.03.2023	1,934	878	400	1	20	3,013	(32,767)	7,382	2,890	(16,249)
Loss for the year	-	-	-	-	-	-	9,324	-	-	9,324
Deletions during the Year	-	-	-	-	-	-	-	(535)	-	(535)
Other Comprehensive Income for the year (net of tax)	-	-	-	-	-	-	(55)		2	(53)
Total Comprehensive Income	-	-	-	-	-	-	9,269		2	8,736
Balance as at 31-12-2023	1,934	878	400	1	20	3,013	(23,498)	6,847	2,892	17,472

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to the Restated Consolidated Summary Statements
(All amounts in Rs Lakhs, unless otherwise stated)

4 PROPERTY, PLANT AND EQUIPMENT

Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Net Carrying amounts of				
Freehold Land	**1,756**	1,756	1,756	1,694
Buildings	**5,080**	5,268	5,664	5,873
Plant and Equipment	**2,055**	2,308	2,655	3,058
Furniture and Fixtures	**142**	186	348	520
Office Equipment	**3**	6	11	16
Vehicles	**42**	65	112	148
Capital work-in-progress				
Total	**9,078**	**9,589**	**10,546**	**11,309**

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to the Restated Consolidated Summary Statements
(All amounts in Rs Lakhs, unless otherwise stated)

4 PROPERTY, PLANT AND EQUIPMENT contd...

Particulars	As at 31.03.2020	Additions	Disposals	Assets Held for Sale	As at 31.03.2021	Additions	Disposals	Assets Held for Sale	As at 31.03.2022	Additions	Disposals	Assets Held for Sale	As at 31.03.2023	Additions	Disposals	Assets Held for Sale	As at 31.12.2023
Gross Carrying Amount-Cost																	
Freehold Land	1,694	-	-	-	1,694	62.00	-	-	1,756	-	-	-	1,756	-	-	-	1,756
Buildings	7,638	435	650	434	6,989	58.00	-	-	7,047	-	-	317	6,730	-	-	2	6,728
Plant and Equipment	4,798	231	101	-	4,928	5.00	2.00	-	4,931	-	2	-	4,929	1	-	-	4,930
Furniture and Fixtures	1,498	1	73	-	1,426	-	-	-	1,426	-	-	-	1,426	-	-	-	1,426
Office Equipment	28	-	1	-	27	*	-	-	27	-	-	-	27	-	-	-	27
Vehicles	196		33	-	163	-	-	-	163	-	26	-	137	-	-	-	137
Total	15,852	667	858	434	15,227	125	2	-	15,350	-	28	317	15,005	1	-	2	15,004

Particulars	As at 31.03.2020	Depreciation expense	Eliminated on disposals of assets	Assets Held for Sale	As at 31.03.2021	Depreciation expense	Eliminated on disposals of assets	Assets Held for Sale	As at 31.03.2022	Depreciation expense	Eliminated on disposals of assets	Assets Held for Sale	As at 31.03.2023	Depreciation expense	Eliminated on disposals of assets	Assets Held for Sale	As at 31.12.2023
Depreciation																	
Freehold Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	1,330	324	125	413	1,116	267	-	-	1,383	254	-	175	1,462	189	-	2	1,648
Plant and Equipment	1,450	431	11	-	1,870	407	1	-	2,276	347	2	-	2,621	255	1	-	2,875
Furniture and Fixtures	741	177	12	-	906	172	-	-	1,078	162	-	-	1,240	44	-	-	1,284
Office Equipment	7	5	1	-	11	5	-	-	16	5	-	-	21	3	-	-	24
Vehicles	(14)	40	11	-	15	36	-	-	51	35	14	-	72	23	-	-	95
Total	3,514	977	160	413	3,918	887	1	-	4,804	803	16	175	5,416	514	1	2	5,926

4.1 RIGHT-OF-USE ASSETS

Particulars	As at 31.03.2021	As at 31.03.2020
Net Carrying amounts of		
Right-of-use Assets	537	4,177
Total	537	4,177

Particulars	As at 31.03.2020	Addition and Modification	Disposals	Assets Held for Sale	As at 31.03.2021	Addition / Modification	Disposals	Assets Held for Sale	As at 31.03.2022	Addition / Modification	Disposals	Assets Held for Sale	As at 31.03.2023	Addition / Modification	Disposals	Assets Held for Sale	As at 31.12.2023
Gross Carrying Amount- Cost																	
Right-of-use Assets	4,268	72	49	3,689	602	951	224	-	1,329	87	72	296	1,048	379	-	-	1,427
Total	4,268	72	49	3,689	602	951	224	-	1,329	87	72	296	1,048	379	-	-	1,427

Particulars	As at 31.03.2020	Amortization	Amortization	Assets Held for Sale	As at 31.03.2021	Amortization	Amortization	Assets Held for Sale	As at 31.03.2022	Amortization expense	Amortization on disposals	Assets Held for Sale	As at 31.03.2023	Amortization expense	Amortization on disposals	Assets Held for Sale	As at 31.12.2023
Amortization																	
Right-of-use Assets	91	94	44	76	65	47	51	-	61	46	51	19	37	29	-	-	66
Total	91	94	44	76	65	47	51	-	61	46	51	19	37	29	-	-	66

* Amount is below the rounding off norm adopted by the Group.

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to the Restated Consolidated Summary Statements
(All amounts in Rs Lakhs, unless otherwise stated)

6 CAPITAL WORK-IN-PROGRESS

	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
a.	Balance as at the beginning of the year	27	27	227	677
b.	Add: Additions during the year	-	-	-	56
c.	**Total Capital Work-In-Progress: c= (a+b)**	27	27	227	733
d.	Less: Transferred to Property, Plant and Equipment and Intangible Assets	-	-	117	506
e.	Less: Written off during the year	-	-	83	-
f.	**Balance as at the end of the year: f=(c-d-e)**	27	27	27	227

7 INTANGIBLE ASSETS

Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Net Carrying amounts of :				
(Internally generated assets)				
Technical Know-how	-	-	-	-
(Acquired items)				
Technical Know-how	-	-	-	-
Software	-	-	46	107
Total	-	-	46	107

(All amounts in Rs Lakhs, unless otherwise stated)

7 INTANGIBLE ASSETS Contd....

Particulars	As at 31.03.2020	Additions	Disposals	As at 31.03.2021	Additions	Disposals	As at 31.03.2022	Additions	Disposals	As at 31.03.2023	Additions	Disposals	As at 31.12.2023
Gross Carrying Amount- Cost													
(Internally generated assets)													
Technical Know-how	548	-	-	548	-	-	548	-	-	548	-	-	548
Software	325		-	325	-		325	-	-	325	-	- -	325
Total	873	-	-	873	-	-	873	-	-	873	-		873

Particulars	As at 31.03.2020	Amortization expense	Eliminated on disposals of assets	As at 31.03.2021	Amortization expense	Eliminated on disposals of assets	As at 31.03.2022	Amortization expense	Eliminated on disposals of assets	As at 31.03.2023	Amortization expense	Eliminated on disposals of assets	As at 31.12.2023
Amortization													
(Internally generated assets)													
Technical Know-how	512	36	-	548	-	-	548	-	-	548	-	-	548
Software	137	81	-	218	61	-	279	46	-	325	-	-	325
Total	649	117	-	766	61	-	827	46	-	873	-	-	873

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to the Restated Consolidated Summary Statements
(All amounts in Rs Lakhs, unless otherwise stated)

8-A NON-CURRENT INVESTMENTS

	As at 31.12.2023		As at 31.03.2023		As at 31.03.2022		As at 31.03.2021	
	Numbers	Value	Numbers	Value	Numbers	Value	Numbers	Value
Unquoted Investments (All fully paid):								
Investment in Equity Instruments of Subsidiaries :								
Tractors Nepal Private Limited								
Shares of Nepalese Rupees 100/- each fully paid								
a. TIL Overseas Pte Limited	1,07,577	-	1,07,577	-	1,07,577	-	1,07,577	-
Shares of Singapore $10 each fully paid								
Less: Provision for Impairment of Investment		-		-				-
Investments Carried at Cost [A]						-		
I. Investments carried at amortized cost								
Unquoted								
Investment in Debentures								
Woodlands Multispecialty Hospital Limited	-	-	-	-	-	-	20	*
1/2 % Debentures of Rs. 100/- each fully paid								
Investments Carried at Amortized Cost		-		-		-		-
I. Investments carried at Fair Value through Profit and Loss								
Unquoted Investments								
Investment in Equity Instrument								
Myanmar Tractors Limited	602	13	602	13	602	13	602	13
Shares of Kyats 1000 each fully paid								
(equivalent to US$ 168.55 each)								
Less: Provision for impairment of investment		(13)		(13)		(13)		(13)
Investments carried at Fair Value through Profit and Loss		-		-		-		-
Aggregate book value of investments								
Quoted		-		-		-		-
Unquoted		-		-		-		-
Total		-		-		-		-
Aggregate market value of quoted investments						-		
Aggregate amount of impairment in value of investments		13		13		13		13

8-B CURRENT INVESTMENTS

	As at 31.12.2023		As at 31.03.2023		As at 31.03.2022		As at 31.03.2021	
	Numbers	Value	Numbers	Value	Numbers	Value	Numbers	Value
I. Investment carried at Fair Value through Profit and Loss								
Quoted Investments :								
Investment in Equity Instrument								
Eveready Industries India Limited	1,266	4	1,266	4	1,266	4	1,266	4
Shares of Rs. 5/- each fully paid								
McLeod Russel India Limited	1,266	*	1,266	*	1,266	*	1,266	*
Shares of Rs. 5/- each fully paid								
Bank of India	7,900	9	7,900	6	7,900	4	7,900	5
Shares of Rs. 10/- each fully paid								
Investment in Mutual Funds		50		57		90		198
Investment in Bonds		-		-		-		3,310
Total		63		67		98		3,517
Aggregate book value of quoted investments		63		67		98		9
Aggregate market value of quoted investments		63		67		98		9

*Amount is below the rounding off norm adopted by the Group.

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to the Restated Consolidated Summary Statements
(All amounts in Rs Lakhs, unless otherwise stated)

9 OTHER FINANCIAL ASSETS

A. NON-CURRENT

	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Unsecured, Considered Good				
Security Deposits	37	37	53	249
Deposit with Banks	-	-	11	10
Earmarked Balances with Banks #	-	111	518	411
Total	37	148	582	670

Earmarked balances with banks represent balances held for margin money against issue of bank guarantees.

B. CURRENT

	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Unsecured, Considered Good				
Security Deposits *	202	127	118	151
Claims Receivable	133	129	130	250
Accrued Duty Benefits pertaining to exports / deemed exports	-	-	-	-
Derivatives not designated as Hedging Instruments	-	-	-	3
Others	538	180	18	-
Less : Provision [Refer Note 9.1 (B)]	535	162	-	-
Others **	3	18	18	-
Total	338	274	266	404

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to the Restated Consolidated Summary Statements
(All amounts in Rs Lakhs, unless otherwise stated)

10-A INCOME TAX ASSETS (NET)

Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Advance Income Tax {Net of Provision for Taxation}	(769)	704	437	591
Total	(769)	704	437	591

10-B Components of Deferred Tax Assets / (Liabilities) as at 31st December 2023 as below

Particulars	Balance as at 01.04.2023	Recognized/ (Reversed) in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Balance as at 31.12.2023
Deferred Tax Assets				
Provisions	1,285	955		2,240
Disallowances u/s 43B of IT Act	652	115	29	796
Prepaid Lease Rent	20	10		30
MTM valuation of Investment	(1)	-		(1)
	1,956	1,080	29	3,065
Deferred Tax Liabilities				
Property, Plant and Equipment and Intangible Assets	1,088	19	-	1,107
	1,088	19	-	1,107
Net Deferred Tax Assets / (Liabilities) [A]	868	1,061	29	1,958
MAT Credit Entitlement				
MAT Credit Receivable	3,026	-	-	3,026
Total MAT Credit Receivable [B] *	3,026	-	-	3,026
Net Deferred Tax Assets / (Liabilities) [C]=[A]+[B]	3,894	1,061	29	4,986

Components of Deferred Tax Assets / (Liabilities) as at 31st March 2023 is as below

Particulars	Balance as at 01.04.2022	Recognized/ (Reversed) in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Balance as at 31.03.2023
Deferred Tax Assets				
Provisions	801	484	-	1,285
Disallowances u/s 43B of IT Act	579	34	39	652
Prepaid Lease Rent	6	14	-	20
MTM valuation of Investment	-	(1)	-	(1)
	1,386	531	39	1,956
Deferred Tax Liabilities				
Property, Plant and Equipment and Intangible Assets	1,170	(82)	-	1,088
MTM valuation of Investment	-	-	-	-
	1,170	(82)	-	1,088
Net Deferred Tax Assets / (Liabilities) [A]	216	613	39	868
MAT Credit Entitlement				
MAT Credit Receivable	3,026	-	-	3,026
Total MAT Credit Receivable [B]	3,026	-	-	3,026
Net Deferred Tax Assets / (Liabilities) [C]=[A]+[B]	3,242	613	39	3,896

* Unused tax credits are due to expire from financial year 2027-28 to 2035-36

Components of Deferred Tax Assets / (Liabilities) as at 31st March 2022 is as below

Particulars	Balance as at 01.04.2021	Recognized/ (Reversed) in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Balance as at 31.03.2022
Deferred Tax Assets				
Provisions	(2,805)	3,606	-	801
Disallowances u/s 43B of IT Act	198	353	28	579
Prepaid Lease Rent	5	1	-	6
	(2,602)	3,960	28	1,386
Deferred Tax Liabilities				
Property, Plant and Equipment and Intangible Assets	1,223	(53)	-	1,170
MTM valuation of Investment	2	(2)	-	-
	1,225	(55)	-	1,170
Net Deferred Tax Assets / (Liabilities) [A]	(3,827)	4,015	28	216
MAT Credit Entitlement				
MAT Credit Receivable	3,026	-	-	3,026
Total MAT Credit Receivable [B] *	3,026	-	-	3,026
Net Deferred Tax Assets / (Liabilities) [C]=[A]+[B]	(801)	4,015	28	3,242

Components of Deferred Tax Assets / (Liabilities) as at 31st March 2021 is as below

Particulars	Balance as at 01.04.2020	Recognized/ (Reversed) in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Balance as at 31.03.2021
Deferred Tax Assets				
Provisions	2,260	(5,065)	-	(2,805)
Disallowances u/s 43B of IT Act	185	8	5	198
Prepaid Lease Rent	14	(9)	-	5
MTM valuation of Investment	3	(3)	-	-
	2,462	(5,069)	5	(2,602)
Deferred Tax Liabilities				
Property, Plant and Equipment and Intangible Assets	1,231	(8)	-	1,223
MTM valuation of Investment	-	2	-	2
	1,231	(6)	-	1,225
Net Deferred Tax Assets / (Liabilities) [A]	1,231	(5,063)	5	(3,827)
MAT Credit Entitlement				
MAT Credit Receivable	3,026	-	-	3,026
Total MAT Credit Receivable [B]	3,026	-	-	3,026
Net Deferred Tax Assets / (Liabilities) [C]=[A]+[B]	4,257	(5,063)	5	(801)

* Unused tax credits are due to expire from financial year 2027-28 to 2035-36

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to the Restated Consolidated Summary Statements
(All amounts in Rs Lakhs, unless otherwise stated)

11 OTHER ASSETS

A. NON-CURRENT	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Capital Advances		-	-	12
Balance with Statutory / Government Authorities (other than income taxes) - [Refer Note 11.1]	67	18	5	400
Employee Advance	19	11	16	12
Total	86	29	21	424

B. CURRENT	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Advance to Suppliers	1,488	1,412	1,378	897
Less : Provision (Refer Note 11.2)	-	-	-	-
	1,488	1,412	1,378	897
Add/(Less): Restatement Adjustment	-	-	-	(1,470)
Balance with Statutory / Government Authorities (other than income taxes)	504	391	379	442
Employee Advance	81	101	67	48
Prepayments	102	117	266	405
Total	2,175	2,021	2,090	322

12 INVENTORIES **(Measure at lower of cost and net realisable value)**	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
a. Raw Materials	8,938	10,180	10,878	14,090
	8,938	10,180	10,878	14,090
b. Work-in-Progress	2,329	1,893	3,437	4,580
	2,329	1,893	3,437	4,580
c. Finished Goods	-	-	-	-
	-	-	-	-
d. Stock-in-Trade	1,838	1,880	1,940	2,854
	1,838	1,880	1,940	2,854
e. Stores and Spares	106	115	175	183
	106	115	175	183
Total	13,211	14,068	16,430	21,707

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to the Restated Consolidated Summary Statements
(All amounts in Rs Lakhs, unless otherwise stated)

13 TRADE RECEIVABLES

	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Unsecured, Considered Good	2,769	3,019	5,607	9,842
Unsecured, Considered Doubtful	2,238	1,607	1,047	7,166
	5,007	4,626	6,654	17,008
Less: Restated Bad Debts			(2,998)	(3,318)
Less : Allowance for Credit Loss	(2,238)	(1,607)	(1,047)	(7,166)
	2,769	3,019	2,609	6,524

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to the Restated Consolidated Summary Statements
(All amounts in Rs Lakhs, unless otherwise stated)

		As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
14-A	**CASH AND CASH EQUIVALENTS**				
	Cash in hand	-	1	3	5
	Balances with Banks:				
	In Current Accounts	42	131	94	41
	Total Cash and Cash Equivalents	42	132	97	46
14-B	**OTHER BANK BALANCES**				
	In Earmarked Dividend accounts	7	7	7	8
	Balances held as Margin Money #	-	-	226	506
	In Fixed Deposit Accounts (Under Lien)	1	1	131	-
	Total Other Bank Balances	8	8	364	514

Balances held as margin money represent balances against issue of letter of credit

		As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
15	**EQUITY SHARE CAPITAL**				
	Authorized				
	20,000,000 (31.03.2022 : 20,000,000) Equity Shares of Rs 10/- each	2,000	2,000	2,000	2,000
	Issued				
	10,030,265 (31.03.2022: 10,030,265) Equity Shares of Rs 10/- each	1,003	1,003	1,003	1,003
	Subscribed and Paid up				
	10,030,265 (31.03.2022: 10,030,265) Equity Shares of Rs 10/- each (fully paid up)	1,003	1,003	1,003	1,003
	Total	1,003	1,003	1,003	1,003

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to the Restated Consolidated Summary Statements
(All amounts in Rs Lakhs, unless otherwise stated)

16	**OTHER EQUITY**	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
	Securities Premium	1,934	1,934	1,934	1,934
	Capital Reserve	878	878	878	878
	Capital Redemption Reserve	400	400	400	400
	Development Rebate Reserve	1	1	1	1
	Amalgamation Reserve	20	20	20	20
	General Reserve	3,013	3,013	3,013	3,013
	Foreign Currency Translation Reserve	2,892	2,890	2,853	2,773
	Equity Component	6,847	7,382	8,049	4,725
	Retained Earnings	(31,714)	(40,983)	(31,356)	(16,512)
	Total	(15,729)	(24,465)	(14,208)	(2,768)

16.1	**Securities premium**	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
	Balance at the beginning of the year	1,934	1,934	1,934	1,934
	Balance at the end of the year	1,934	1,934	1,934	1,934

16.2	**Capital Reserve**	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
	Balance at the beginning of the year	878	878	878	878
	Balance at the end of the year	878	878	878	878

16.3	**Capital Redemption Reserve**	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
	Balance at the beginning of the year	400	400	400	400
	Balance at the end of the year	400	400	400	400

16.4	**Development Rebate Reserve**	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
	Balance at the beginning of the year	1	1	1	1
	Balance at the end of the year	1	1	1	1

16.5	**Amalgamation Reserve**	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
	Balance at the beginning of the year	20	20	20	20
	Balance at the end of the year	20	20	20	20

16.6	**General Reserve**	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
	Balance at the beginning of the year	3,013	3,013	3,013	3,013
	Balance at the end of the year	3,013	3,013	3,013	3,013

16.7	**Foreign Currency Translation Reserve**	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
	Balance at the beginning of the year	2,890	2,853	2,773	2,839
	Movement for the year	2	37	80	(66)
	Balance at the end of the year	2,892	2,890	2,853	2,773

16.8	**Retained earnings**	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
	Balance at the beginning of the year	(40,983)	(31,356)	(16,512)	(1,438)
	Movement for the year	9,269	(9,627)	(14,844)	(15,074)
	Payment of dividend			-	-
	Tax on dividend			-	-
	Balance at the end of the year	(31,714)	(40,983)	(31,356)	(16,512)

17 BORROWINGS

A. NON-CURRENT

Measured at Amortized Cost ***Secured Borrowings***	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Term Loans				
From Banks	-	1,804	1,890	2,923
Less:- Current Maturities of Long - Term Debt / Reclassification (Refer Note 17.1)	-	1,464	597	1,285
	-	340	1,293	1,638
From Financial Institutions	566	2,606	2,593	2,120
Less:- Reclassification (Refer Note 17.1)	566	2,606	889	11
	-	-	1,704	2,109
Unsecured Borrowings				
Loans from related parties (Refer Note 41.2)	9,857	8,476	7,057	7,705
Vehicle Loans				
From Banks and Financial Institutions	-	-	-	-
Less:- Current Maturities of Long - Term Debt / Reclassification	-	-	-	-
	9,857	8,816	10,054	11,452

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to the Restated Consolidated Summary Statements
(All amounts in Rs Lakhs, unless otherwise stated)

B. CURRENT

	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Secured				
Measured at Amortized Cost				
Current Maturities of Long - Term Debt / Facilities Recalled (Refer Note 17.1)	566	4,070	1,487	1,296
Loan Repayable on Demand from Banks	9,835	16,275	16,108	20,036
Loan Repayable on Demand from Financial Institutions	-	-	-	-
Unsecured				
From Financial Institutions	-	-	-	-
Other Working Capital facilities from Banks	-	2,551	2,563	3,448
Loans from related parties (Refer Note 41.2)	1,066	1,066	1,066	-
Others	897	897	865	557
Total	12,364	24,859	22,089	25,337

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to the Restated Consolidated Summary Statements
(All amounts in Rs Lakhs, unless otherwise stated)

18 PROVISIONS

	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
A. NON-CURRENT				
Provision for Employee Benefits				
Provision for Contribution to Provident Fund (PF)	-	-	-	81
Provision for Compensated Absences (Unfunded)	533	503	512	527
Total	533	503	512	608

	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
B. CURRENT				
(a) Provision for Employee Benefits				
Provision for Contribution to Provident Fund (PF)	51	51	-	13
Provision for Compensated Absences (Unfunded)	9	9	22	40
	60	60	22	53
(b) Other Provisions				
Provision for Warranty	28	28	17	155
Total	88	88	39	208

18.1 The Details in Movement of Other Provisions are as follows

	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Provision for warranty				
Balance at the beginning of the year	28	17	155	155
Additions during the year		14	17	54
Released to the Consolidated Statement of Profit and Loss		(3)	(155)	(54)
Balance at the end of the year — **Total**	28	28	17	155

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to the Restated Consolidated Summary Statements
(All amounts in Rs Lakhs, unless otherwise stated)

19 TRADE PAYABLE

	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
A) Total outstanding dues of micro enterprises and small enterprises	432	395	382	507
B) Total outstanding dues of Creditors other than micro enterprises and small enterprises	15,111	12,162	8,922	7,603
Total	15,543	12,557	9,304	8,110

20 LEASE LIABILITIES

	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
A NON-CURRENT				
Lease Liability	1,348	957	875	224
Total	1,348	957	875	224

	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
B CURRENT				
Lease Liability	100	94	111	39
Total	100	94	111	39

21 OTHER FINANCIAL LIABILITIES
CURRENT

	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Interest accrued but not due (Refer Note 21.2)	2	13	17	76
Interest accrued and due on Borrowings (Refer Note 21.2)	260	2,407	322	-
Unclaimed Dividend	7	7	7	8
Other Financial Liabilities	85	85	85	-
Total	354	2,512	431	84

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to the Restated Consolidated Summary Statements
(All amounts in Rs Lakhs, unless otherwise stated)

22 OTHER CURRENT LIABILITIES	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Capital Vendor	15	16	44	47
Contribution to Funds (Gratuity, Superannuation, etc.)	2,352	2,101	1,674	958
Security Deposit from Customers	7	7	7	11
Statutory Remittances	1,769	2,728	2,598	1,131
Advance from Customers and Others	3,659	3,494	3,507	3,111
Others	149	142	83	177
Total	7,951	8,488	7,913	5,435

23 REVENUE FROM OPERATIONS	Period Ended 31.12.2023	Year Ended 31.03.2023	Year Ended 31.03.2022	Year Ended 31.03.2021
Sale of Products				
Manufactured Goods	3,040	3,304	2,678	16,600
Traded Goods	484	666	2,480	12,820
Sale of Services	24	412	1,358	1,698
	3,548	4,382	6,516	31,118
Other Operating Income				
Rental from Machinery				
Selling Commission earned	-	-	-	46
Export Incentives *	-	1	8	87
Scrap Sales	-	-	100	72
	-	1	108	205
Revenue From Operations	3,548	4,383	6,624	31,323

24 OTHER INCOME	Period Ended 31.12.2023	Year Ended 31.03.2023	Year Ended 31.03.2022	Year Ended 31.03.2021
Interest income				
- On Bank Deposits	-	39	106	37
Dividend Income				
- From companies	-	-	-	130
Profit on Sale of Long Term Investment	-	1	72	1
Gain on Sale of Property, Plant and Equipment (Net)	-	-	1	224
Gain on Sale of Assets Held for Sale (Net)	2,888	-	283	-
Gain on Foreign Currency Transactions (Net)	1	-	-	-
Gain on Fair Valuation of Derivatives not designated as hedging instruments through Profit and Loss	-	-	-	3
Gain on Fair Valuation of investments carried through Profit and Loss (Net)	6	2	5	366
Recovery of Bad debts	-	-	-	-
Provisions / Liabilities no longer required written back	1,012	536	645	-
Gain on Modification / Termination on Lease Assets	-	3	-	
Income from OTS Settlement	13,990	-	-	-
Other Miscellaneous Income	41	89	4,488	191
Total	17,938	670	5,600	952

25 COST OF MATERIALS CONSUMED	Period Ended 31.12.2023	Year Ended 31.03.2023	Year Ended 31.03.2022	Year Ended 31.03.2021
Opening Inventory				
Add: Purchases (Net)	-	-	-	-
Restatement of Inventory Written Back	-	-	83	(1,931)
Less: Closing Inventory	-	-	-	-
Material Consumed	2,498	1,173	2,098	11,344
Total	2,498	1,173	2,181	9,413

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to the Restated Consolidated Summary Statements
(All amounts in Rs Lakhs, unless otherwise stated)

		Period Ended 31.12.2023	Year Ended 31.03.2023	Year Ended 31.03.2022	Year Ended 31.03.2021
26	**PURCHASE OF STOCK-IN-TRADE**				
	Purchase of Traded Goods	341	309	2,004	10,488
	Total	341	309	2,004	10,488

		Period Ended 31.12.2023	Year Ended 31.03.2023	Year Ended 31.03.2022	Year Ended 31.03.2021
27	**CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS**				
	Inventories at the end of the year				
	Work-in-Progress	2,329	1,893	3,437	4,580
	Finished Goods	-	-	-	-
	Traded Goods	1,838	1,880	1,940	2,854
		4,167	3,773	5,377	7,434
	Inventories at the beginning of the year				
	Work-in-Progress	1,893	3,437	4,580	5,625
	Less : Written off (Refer Note No 32)	-	-	(1,525)	
	Finished Goods	-	-	-	148
	Traded Goods	1,880	1,940	2,854	1,904
	Less : Written off (Refer Note No 32)	-	-	(1,535)	-
		3,773	5,377	4,374	7,677
	Translation difference	-	-	1	(9)
	Net (Increase) / Decrease	(394)	1,604	(1,002)	234

		Period Ended 31.12.2023	Year Ended 31.03.2023	Year Ended 31.03.2022	Year Ended 31.03.2021
28	**EMPLOYEE BENEFITS EXPENSE**				
	Salaries and Wages	1,961	3,129	4,846	4,831
	Contribution to Provident and other Funds	233	345	440	464
	Staff Welfare Expenses	155	199	250	233
	Total	2,349	3,673	5,536	5,528

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to the Restated Consolidated Summary Statements
(All amounts in Rs Lakhs, unless otherwise stated)

		Period Ended 31.12.2023	Year Ended 31.03.2023	Year Ended 31.03.2022	Year Ended 31.03.2021
29	**FINANCE COSTS**				
	On Financial Liability at amortized cost				
	Interest Expenses on:				
	Long Term Loans (Refer Note 21.2)	204	427	450	353
	Cash Credits and Short Term Loans (Refer Note 21.2)	1,283	2,441	2,725	2,543
	Lease	89	102	34	30
	Related Parties	-	-	-	-
	Others	484	538	154	242
	Other Borrowing Costs	3	116	257	297
	Total	2,063	3,624	3,620	3,465

		Period Ended 31.12.2023	Year Ended 31.03.2023	Year Ended 31.03.2022	Year Ended 31.03.2021
30	**DEPRECIATION AND AMORTIZATION EXPENSE**				
	Depreciation of Property, Plant and Equipment	513	803	887	977
	Amortization of Right-of use assets	29	46	47	94
	Amortization of Intangible Assets	-	46	61	116
	Total	542	895	995	1,187

		Period Ended 31.12.2023	Year Ended 31.03.2023	Year Ended 31.03.2022	Year Ended 31.03.2021
31	**OTHER EXPENSES**				
	Consumption of Consumables	80	105	247	440
	Power and Fuel	177	230	239	258
	Rent Expenses	2	21	60	227
	Repairs and Maintenance				
	Buildings	10	26	55	67
	Plant and Machinery	65	101	206	223
	Others	2	2	7	11
		77	129	268	301
	Insurance	40	70	84	80
	Rates and Taxes	32	16	337	35
	Bank Charges	103	123	138	330
	Travelling Expenses	64	67	159	149
	Printing and Stationery	10	8	24	32
	Freight and Forwarding Charges	26	35	270	159
	Postage, Telephone and other Communication Expenses	14	27	44	56
	Advertising	2	3	8	15
	Sales Commission	-	-	20	7
	Royalty Expenses	-	-	-	49
	Professional Fees (Refer Note 31.1)	1,175	748	432	1,031
	Motor Vehicle Expenses	9	23	41	28
	Bad Debts / Advances / Inventory written off (Net)	-	58	18,918	4,788
	Add / (Less) : Provision for Expected Credit Loss	630	560	(6,119)	3,545
	Add : Other provisions for Advances / Claims and Others	316	162	94	29
		946	780	12,893	8,362
	Provision for Detention Charges	559	457	1,277	-
	Warranty Expenses	20	14	25	54
	Net Loss on Foreign Currency Transactions and Translation	33	127	77	60
	Net loss on Fair Valuation of Investments through Profit and Loss (Net)	-	-	1	-
	Loss on Fair Valuation of Derivatives not designated as Hedging Instruments carried through Profit and Loss	-	-	3	-
	Loss on Modification / Termination on Lease Assets	-	-	275	-
	Loss on Sale of Investment	-	-	-	-
	Net Loss on Sale of Property, Plant and Equipment	-	4	-	5
	Miscellaneous Expenses	176	260	261	280
	Total	3,545	3,247	17,183	11,958

TIL LIMITED
CIN: L74999WB1974PLC041725
Notes to the Restated Consolidated Summary Statements
(All amounts in Rs Lakhs, unless otherwise stated)

32 EXCEPTIONAL ITEMS	Period Ended 31.12.2023	Year Ended 31.03.2023	Year Ended 31.03.2022	Year Ended 31.03.2021
Inventory Written Off and including Provision	-	-	-	-
Trade Receivables Written Off	-	-	-	-
Advance to Suppliers Written Off	-	-	-	-
Provision for Advance to Suppliers	-	-	-	-
Other Liability Written Back	-	-	-	-
Profit on Sale of Assets held for sale	-	-	-	-
Income from OTS settlement	-	-		-
TOTAL	-	-	-	-

MATERIAL DEVELOPMENTS

Except as stated in this Letter of Offer and as disclosed below, to our knowledge, non circumstances have arisen since March 31, 2023, which materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities:

One time settlement of outstanding borrowings

Pursuant to the meeting of the joint lenders forum held on July 4, 2023, the lenders of the Company, namely Bank of India, Union Bank of India, State Bank of India, Axis Bank Limited, HDFC Bank Limited, IDBI Bank, Punjab National Bank, Indian Bank and South Indian Bank have approved of settlement of outstanding dues aggregating to ₹ 222.99 crores against a one-time settlement of ₹ 144.00 crores, consisting of upfront deposit of ₹ 20 crores in a no-lien account, ₹ 79 crores as fund based deposits and a counter bank guarantee of ₹ 45 crores issued by IndusInd Bank. The amounts have been deposited by the Company and a suitable counter bank guarantee issued, pursuant to which the erstwhile lenders of the Company have issued no-due certificates as follows:

Bank of India	February 3, 2024
Axis Bank Limited	February 5, 2024
HDFC Bank Limited	February 8, 2024
Indian Bank	February 6, 2024
IDBI Bank Limited	February 5, 2024
Punjab National Bank	February 7, 2024
State Bank of India	February 6, 2024
South Indian Bank	February 7, 2024
Union Bank	February 7, 2024

Further, our Company has also settled the dues of Aditya Birla Finance Limited pursuant to one-time payment and has received no dues certificate dated February 1, 2024.

Change in control

In furtherance of the one-time settlement with the lenders of the Company, we have inducted Indocrest Defence Solutions Private Limited as a members of the Promoter Group. Pursuant to a preferential allotment on January 24, 2024, our Corporate Promoter was allotted 74,96,592 Equity Shares representing 42.77% of the issued, subscribed and paid-up capital of our Company. As the preferential allotment was made under Regulation 164A of the SEBI ICDR Regulations, no open offer was required to be made in terms of the SEBI SAST Regulations. Further, the existing Board of Directors of the Company resigned and subsequently, each of our current Directors has been inducted to our Board.

Withdrawal of credit rating 'CARE D'

Pursuant to a letter dated February 16, 2024, CARE Ratings Limited had withdrawn its previous rating of 'CARE D; Issuer Not Cooperating' pursuant to the issue of no-objection certificate issued by the State Bank of India. As on date the facilities of our Company are not rated.

[THE REMAINDER OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK]

ACCOUNTING RATIOS

The following tables present certain accounting and other ratios derived from the Limited Review Unaudited Financial Results and Audited Financial Information. For details see "*Financial Statements*" on page 67.

Accounting Ratios

Particulars	**Based on Unaudited Financial Results#**	**Based on Audited Financial Results#**	**Based on Audited Financial Statements**	**Based on Audited Financial Statements**
	For the nine month period ended December 31, 2023^	**As at and for the year ended March 31, 2023**	**As at and for the year ended March 31, 2022**	**As at and for the year ended March 31, 2021**
Basic earnings per share (₹)	85.05	-90.75	-429.87	-68.27
Diluted earnings per share (₹)	85.05	-90.75	-429.87	-68.27
Return on Net Worth (%)*	N.A.	N.A.	N.A.	N.A.
Net Asset Value per Equity Share (₹)	N.A.	N.A.	N.A.	229
EBITDA (₹ in lakhs)	(4,690)	(4,953)	(11,248)	(2,713)

Notes:

1. *The net worth for each of Fiscal 2023, 2022 and 2021 was negative and accordingly, RoNW is not calculable.*

The formula used in the computation of the above ratios are as follows:

Basic earnings per share	Net Profit/(Loss) after Tax as per Statement of Profit and Loss attributable to Equity Shareholders after exceptional item, as applicable / Weighted Average number of Equity Shares.
Diluted earnings per share	Net Profit/(Loss) after Tax as per Statement of Profit and Loss attributable to Equity Shareholders after exceptional item, as applicable / Weighted Average number of Equity Shares (including convertible securities).
Return on net worth (in %)	Net Profit/(Loss) for the Period/Year as per Statement of Profit and Loss attributable to Equity Shareholders (prior to other comprehensive income)/ Net worth at the end of the period / year.
Net asset value per Equity Share	Net Worth divided by the number of Equity Shares outstanding for the period/year.
EBITDA	Net Profit/(Loss) for the year before finance costs, tax, depreciation, amortization and exceptional items as presented in the statement of profit and loss.

Calculation of Return of Net Worth

***(**In ₹ lakh, unless otherwise specified)*

Particulars	**For the nine month period ended December 31, 2023#**	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Net Profit/ (Loss) after Tax (before OCI) (A)	8,531	(9,102)	(43,117)	(6,848)
Net Worth (B)	(20,758)	(29,236)	(20,098)	22,990
Return of Net Worth (A/B) (%) ^	N.A.	N.A.	N.A.	N.A.

Notes:

Return of Net Worth is not applicable as net worth is negative.

Calculation of Net asset value per Equity Share

(In ₹ lakh, unless otherwise specified)

Particulars	As at December 31, 2023#	As at March 31, 2023#	As at March 31, 2022	As at March 31, 2021
Net Worth (A) (₹ in lakhs)	(20,758)	(29,236)	(20,098)	22,990
No. of Shares (B)* (in numbers)	1,00,30,265	1,00,30,265	1,00,30,265	1,00,30,265
Net Assets Value [(A x 100,000) / B]	(207)	(291)	(200)	229

#unaudited subject to limited review

Calculation of EBITDA

(In ₹ lakh, unless otherwise specified)

Particulars	For the nine month period ended December 31, 2023#	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit / (Loss) after Tax	8,531	(9,102)	(43,117)	(6,848)
Add: Taxes	1,052	(370)	1,301	(293)
Add: Interest	2,063	3,624	3,620	3,465
Add: Depreciation	542	895	995	1,187
Less: Exception Item	16,878	-	(25,953)	224
EBITDA	(4,690)	(4,953)	(11,248)	(2,713)

#unaudited subject to limited review

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with the "Financial Statements" beginning on page 67.

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should also read "Risk Factors" and "Forward Looking Statements" beginning on pages 16 and 13, respectively, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.

Our financial statements included in this Letter of Offer are prepared in accordance with Ind AS, which differs in certain material respects from other accounting standards like IFRS and U.S. GAAP. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are for the 12 months ended March 31 of that year. Unless otherwise indicated or the context requires, (i) the financial information for Financial Year 2022 included herein is based on the Audited Financial Statements and (ii) Unaudited Financial Results of our Company for the nine-month period ended December 31, 2023 included in this Letter of Offer. For further information, see "Financial Statements" beginning on page 67.

OVERVIEW OF OUR BUSINESS

Our Company offers a comprehensive portfolio of industrial equipment products and solutions relating to cranes including mobile cranes and rough terrain cranes, reach stackers and specialised equipment for the Indian defence industry. Through our predecessor entities and business, we have been in operation since 1944. Our capabilities include the ability to create cranes of various sizes and capacities, ranging from 10 MT to 100 MT.

We are an established player in the provision of world-class infrastructure equipment in India, and are engaged in design, manufacture and marketing of a comprehensive range of material handling, port equipment and crushing and screening solutions, with integrated customer support and after sales service.

We have long-standing partnerships with some of the leading global technology providers in the mobile crane manufacturing and lift truck manufacturing.

Headquartered in Kolkata, we have regional offices in Delhi and Chennai and area offices across the country. The Company has two factories in Eastern India – a fully integrated Plant at Kamarhatty and a state-of-the-art Plant at Kharagpur, West Bengal. The R&D centers at both the factories are equipped with latest software and cutting-edge technologies to enhance design excellence.

Our product portfolio consists of a wide range of Mobile Cranes (Rough Terrain, Truck Cranes, Industrial, Pick-n- Carry Cranes), Lattice Boom Crawler Cranes, Reach Stackers, Container Handlers, as well as a complete range of Crushing and Screening Plants and Equipment. We also offer a range of sophisticated, custom-made and application specific defence equipment.

The key industries served by us include material handling, ports, construction and road building, mining, oil and petrochemicals, steel, railways, airports, power, pharmaceutical and defence in Indian and exports to countries in SAARC, Middle East & Africa.

SIGNIFICANT FACTORS AFFECTING OUR BUSINESS, FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled *'Risk Factors'* on page 16. The following are certain factors that had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- Changes in the competitive landscape in the industrial equipment industry and the defence sector;
- Changes in availability of capital at commercially attractive rates;
- Ability to turn profitable;
- Ability to implement our strategies;
- Changes in fiscal, economic or political conditions in India;
- Changes in the foreign exchange control regulations, interest rates and tax laws in India.

SIGNIFICANT ACCOUNTING POLICIES

For details about our key significant accounting policies, see section titled "*Financial Information*" on page 67.

CHANGE IN ACCOUNTING POLICIES

Except as mentioned in chapter "*Financial Information*" on page 67, there has been no change in accounting policies during the nine months' period ended December 31, 2023 and during the Fiscals 2023, 2022 and 2021.

RESERVATIONS, QUALIFICATIONS, MATTER OF EMPHASIS, ADVERSE REMARKS / OTHER OBSERVATIONS IN CARO

The following is the summary of qualifications/ reservation /emphasis of matters/ adverse remarks / other observations in Companies Auditor's Report Order (CARO), 2020, (as applicable) during the nine-month period ended December 31, 2023 and for the Fiscals 2023, 2022 and 2021:

Financial Period	Qualifications / Reservation /Matter of Emphasis/ Adverse Remarks/ Other Observations in CARO
For the nine period ended December 31, 2023	**Qualifications in the Independent Auditors Review Report on the Quarterly and Nine Months ended on 31st Dec 2023 Unaudited Standalone Financial Results pursuant to Regulation 33 of SEBI (Listing and Discloser Requirements) Regulations, 2015** 5. We draw attention to following matters: (a) Note No. 3 of the accompanying statement for carrying interest free loans from the promoters/promoter's group of companies and other lenders aggregating to Rs. 15,961, lakhs, including Rs. 14,895 lakhs which has been assigned in favour of Indocrest Transportation Private Limited by the said promoters/ promoters's group of companies, at book value instead of its fair value as required under Inda AS-109 and its impact on financial results has not been ascertained by the management. (b) Note No. 8 of the accompanying statement regarding carry forward of Minimum Alternate Tax Credit of ₹ 3,026 Lakhs as on December 31, 2023 (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. However, we are unable to comment for utilization of said MAT credit in absence of basis for reasonable certainty supported by convincing evidence. (c) Note No. 9 of the accompanying statement regarding Stock in Transit which includes materials valuing Rs. 3055 lakhs in Bonded Warehouse/ at Ports as on December 31, 2023 which were imported in the earlier years. These inventories could not be released from the authorities due to nonpayment of custom duty, other charges etc. and as explained, due to this confirmation has also not been received. 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. Further, necessary provision of custom duty, other charges etc. for said materials has been made by the Company in the books of account. However, as these materials are lying for a considerable period of time and pending its technical assessment by the management which, as informed, will be carried out by 31st March, 2024, we are unable to comment whether any provision for obsolescence are required in this regard. (d) Note No. 10 of the accompanying statements which states that subsequent to an enquiry by "Directorate of Revenue Intelligence & Enforcement" (DRI) which has been ongoing since June 2021 in respect to certain trading transactions and other matters related to earlier years, GST Authority, has issued demand intimations for FY 2019-20 and for FY 2020-21 for payment of tax/interest/penalty amounting to ₹ 928.90 Lakhs & ₹ 3,290.79 Lakhs respectively under Section 74(5) of the GST Act; and a reply to such intimations had been filed by the Company. Subsequently, an Order dated May 8, 2023 was issued by the GST authorities for tax, interest, and penalty adding to ₹ 958.97 Lakhs for FY 2019-20. The Company is of the view that the demand raised by GST authorities does not have merit; and hence an appeal against this order has been filed on 4th August 2023 before the prescribed Appellate Authority. In view of this, no provision is considered necessary by the management.

Financial Period	Qualifications / Reservation /Matter of Emphasis/ Adverse Remarks/ Other Observations in CARO
	(e) Trade Receivables, Advances to Suppliers, Trade Payable and Advances from customers amounting to ₹ 2769 Lakhs, ₹ 1126 Lakhs, ₹ 7008 Lakhs and ₹ 3659 Lakhs respectively were outstanding as on December 31, 2023. 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. However, as informed to us, process of getting confirmation has been initiated by the new management. Hence, we are unable to comment on the correctness of above figures and if any adjustments are required to the said balances as on December 31, 2023 and related impact on these Standalone Financial Results. Further, the Parent Company could not get confirmations for Loans from bodies corporate to the extent of Rs. 897 lakhs laying outstanding as on December 31, 2023. However, as informed, process of getting confirmation has been initiated by the new management of the Parent Company. Hence, we are unable to comment on the correctness of above figures and if any adjustments are required to the said balances as on December 31, 2023 and related impact on these Consolidated Financial Results. The impact of above matters (a) to (e) on the accompanying consolidated financial results is presently not ascertainable. 7. We draw attention to Note No. 5 of the accompanying statement which states that the Company's net worth is negative and also exceed its current assets as at December 31, 2023 which indicates material uncertainty that may cast doubt on the Company's ability to continue as a going concern. However, financial results of the Company have been prepared on a going concern basis based on the reasons stated in the aforesaid note. 8. The consolidated unaudited financial results include 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 assts of Rs. 86 lakhs and net assets of Rs. 82 lakhs as at December 31, 2023, revenues of Rs. Nil and Rs. Nil, total net profit after tax of Rs. 12 lakhs and Rs, 5 lakhs, total comprehensive income of Rs, 12 lakhs and Rs. 7 lakhs for the three months and nine months ended on December 31, 2023 respectively, 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.
For the year ended March 31, 2023	**Qualifications in the Companies (Auditor's Report) Order, 2020 on Standalone/Consolidated Financial Statements for the financial year 2022-23** (i) (c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title/ lease deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company except in cases given below:

Description of the property	Gross Carrying Value (₹ in lakhs)	Held in name of	whether promoter, director or their relative or employee	Property held since when	Reason for not being held in name of company
Freehold Land admeasuring 30.48 acres located at Changaul, Kharagpur, West Bengal	309	Various owners having small plots	No	01.04.2009	The Company is in the process of executing the deeds with the respective sellers.

Financial Period	Qualifications / Reservation /Matter of Emphasis/ Adverse Remarks/ Other Observations in CARO

Flat located at Mumbai	1	Managing Director of erstwhile Spundish Engineering Limited	No	01.05.1975	The title deeds are in the name of Managing Director of erstwhile Spundish Engineering Limited, which was amalgamated with the Company in earlier years.

In respect of immovable properties of land and buildings that have been taken on lease and disclosed as Right of Use Assets in the standalone financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement, except the following:

Description of the property	Gross Carrying Value (₹ in lakhs)	Held in name of	whether promoter, director or their relative or employee	Property held since when	Reason for not being held in name of company
Leasehold Land admeasuring 9,919.40 square meters located at Kolkata, West Bengal	1,048	Shyama Prasad Mukherjee Port Trust	No	01-05-1960	The Lease deed of related land with Shyama Prasad Mukherjee Port Trust has expired on 31st March 2015. The Company is in the process of renewing the lease deed.

(ii) (b) As disclosed in note 43.5 to the Standalone Financial Statements, the Company has been sanctioned working capital limits in excess of ₹ 5 Crs. in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns filed by the Company with such banks are not in agreement with the books of accounts of the Company and the details are as follows:

Quarter	Name of the Bank	Particulars	Amount as per books of account (₹ in Lakhs)	Amount reported in quarterly return/statement (₹ in Lakhs)	Difference (₹ in Lakhs)
June'22	All Consortium Banks	Inventories	15,053	15,750	(697)
		Trade Receivables	4,003	4,309	(306)
September'22		Inventories	15,379	15,379	

Financial Period	Qualifications / Reservation /Matter of Emphasis/ Adverse Remarks/ Other Observations in CARO

	All Consortium Banks	Trade Receivables	3,711	3,731	(20)
December’22	All Consortium Banks	Inventories	14,920	14,921	(1)
		Trade Receivables	4,029	4,023	6
March’23	All Consortium Banks	Inventories	14,097	14,405	(308)
		Trade Receivables	4,626	4,617	9

(xix) As stated in Qualified Opinion paragraph in our main audit report for Going Concern Assessment and as disclosed in Note 34, 40 and 42 to the Standalone Financial Statements which includes the financial ratios and ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, there exists a material uncertainty that the Company may not be capable of meeting its liabilities, existing at the date of balance sheet, as and when they fall due within a period of one year from the balance sheet date.

Qualifications in the Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act on Standalone/Consolidated Financial Statements for FY 2022-23

Disclaimer of Opinion

According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at 31st March 2023. Accordingly, we do not express an opinion on Internal Financial Controls with reference to these Standalone Financial Statements.

We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the Standalone Financial Statements of the Company for the year ended 31st March 2023 and the disclaimer does not affect our qualified opinion on the Standalone Financial Statements of the Company.

For the year ended March 31, 2022

Qualifications in the Companies (Auditor’s Report) Order, 2020 on Standalone/Consolidated Financial Statements for the financial year 2021-22

(i) (c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title/ lease deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company except in cases given below:

Description of the property	Gross Carrying Value (₹ in lakhs)	Held in name of	whether promoter, director or their relative or employee	Property held since when	Reason for not being held in name of company
Freehold Land admeasuring 30.48 acres located at Changaul,	309	Various owners having small plots	No	01.04.2009	The Company is in the process of executing the deeds with the

Kharagpur, West Bengal					respective sellers.
Flat located at Mumbai	1	Managing Director of erstwhile Spundish Engineering Limited	No	01.05.1975	The title deeds are in the name of Managing Director of erstwhile Spundish Engineering Limited, which was amalgamated with the Company in earlier years.

In respect of immovable properties of land and buildings that have been taken on lease and disclosed as Right of Use Assets in the standalone financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement, except the following:

Description of the property	Gross Carrying Value (₹ in lakhs)	Held in name of	whether promoter, director or their relative or employee	Property held since when	Reason for not being held in name of company
Leasehold Land admeasuring 9,919.40 square meters located at Kolkata, West Bengal	1,048	Shyama Prasad Mukherjee Port Trust	No	01-05-1960	The Lease deed of related land with Shyama Prasad Mukherjee Port Trust has expired on 31st March 2015. The Company is in the process of renewing the lease deed.

(ii) (a) The inventory has been physically verified during the year by the management except for inventories lying with third parties. As mentioned in note no. 32(c) of the standalone financial statements, only 59% of the Inventory was physically verified. In our opinion, the frequency of verification of Inventory is not reasonable and the coverage and procedure for such verification needs to be further strengthened. Further, discrepancies of 10% or more in aggregate for each class of inventory, were noted on physical verification of inventories and have been properly dealt with in the books of account. For Inventory lying with third parties at the year end, written confirmations have been obtained. Also refer para 1(a), 1(b) and 1(c) of Basis for Disclaimer Opinion section of our Audit Report.

(b) As disclosed in note 43.5 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns filed by the Company with such banks are not in agreement with the books of accounts of the Company and the details are as follows:

Quarter	Name of the Bank	Particulars	Amount as per books	Amount reported in	Difference (₹ in Lakhs)

Financial Period	Qualifications / Reservation /Matter of Emphasis/ Adverse Remarks/ Other Observations in CARO

			of account (₹ in Lakhs)	quarterly return/statement (₹ in Lakhs)	
June’21	All Consortium Banks	Inventories	23,031	27,014	(3,983)
		Trade Receivables	24,688	24,645	43
September’21	All Consortium Banks	Inventories	26,001	26,937	(936)
		Trade Receivables	21,935	21,745	190
December’21	All Consortium Banks	Inventories	26,269	26,222	47
		Trade Receivables	20,827	20,229	598
March’22	All Consortium Banks	Inventories	16,457	15,953	504
		Trade Receivables	3,654	4,105	(451)

As explained by the management, the differences are on account of numbers reported to the banks based on the provisional quarterly accounts. Further as stated in the note no 43.5 of the standalone financial statements, the figures of Trade Receivable and Inventory as disclosed above for all the quarters except for the quarter March’22 are before the accounting adjustments as suggested in the Management Audit Report and hence the management contends that the comparison above doesn’t reflect the actual picture.

(ix) (a) The Company has defaulted in repayment of dues to banks and financial institutions during the year as stated below:

Nature of borrowing including debt securities	Name of lender	Amount not paid on due date (₹ in Lakhs)	Whether principal or interest	No. of days delay or unpaid
Term Loan	Tata Capital Financial Services Ltd.	480	Principal	13 to 84 days
		168	Interest	1 to 84 days
	Aditya Birla Finance Limited	94	Principal	1 to 70 days
		38	Interest	1 to 70 days
Guaranteed Emergency Credit Line (GECL)	Tata Capital Financial Services Ltd.	10	Principal	1 to 60 days
		26	Interest	1 to 60 days
	Aditya Birla Finance Limited	6	Principal	1 to 70 days
		9	Interest	1 to 70 days
	State Bank of India	50	Interest	1 to 14 days
	Punjab National Bank	40	Interest	4 to 89 days
	UnionBank of India	6	Interest	2 to 31 days
	IDBI Bank	7	Interest	12 to 48 days
Short term loans	HDFC Bank	3,000	Principal	7 to 166 days
		45	Interest	15 to 58 days
	Union Bank of India	1	Interest	31 days
Financial Assistance under CESS-2020 Scheme	Punjab National Bank	160	Principal	9 to 128 days
		9	Interest	1 to 89 days
	Bank of India	234	Principal	1 to 145 days
		8	Interest	1 to 56 days
Letter of Credit (LC)	HDFC Bank	674	LC Devolved	97 to 299 days
	Indian Bank	1,113	LC Devolved	1 to 92 days
	IDBI Bank	210	LC Devolved	4 days

Financial Period	Qualifications / Reservation /Matter of Emphasis/ Adverse Remarks/ Other Observations in CARO

	Bank of India	730	LC Devolved	3 to 122 days
	Union Bank of India	791	LC Devolved	7 to 101 days
Cash Credit	HDFC Bank	284	CC Limit overdrawn	151 days

(xix) As stated in Disclaimer of Opinion paragraph in our main audit report for Going Concern Assessment and as disclosed in Note 34, 40 and 42 to the standalone financial statements which includes the financial ratios and ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, there exists a material uncertainty that the Company may not be capable of meeting its liabilities, existing at the date of balance sheet, as and when they fall due within a period of one year from the balance sheet date.

Qualifications in the Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act on Standalone/Consolidated Financial Statements for FY 2021-22

As described in the Basis for Disclaimer paragraph above, because of the significance of the matters, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion on whether the Company had adequate internal financial controls with reference to standalone financial statements and whether such internal financial controls were operating effectively as at 31st March 2022 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the standalone financial statements of the Company for the year ended 31st March 2022 and the disclaimer has affected our opinion on the standalone financial statements of the Company and we have issued a disclaimer of opinion on the financial statements for the year ended on that date.

Qualifications in the Statutory Auditors Report on Standalone/Consolidated Financial Statements for the financial year 2022-23

1. 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' section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date

(a) Note No. 33 of the accompanying Standalone Financial Statements for not carrying out fair valuation of interest free loans from the Promoters/Promoter's Group of Companies and other lenders aggregating to ₹ 15,885 Lakhs as required under Ind AS-109 and its impact on Standalone Financial Statements 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 Statements.

(b) Note No. 34 of the accompanying Standalone Financial Statements which states that the company has incurred a cash loss of ₹ 8,314 Lakhs during the year and its net worth is negative as on the Balance Sheet date. Moreover, the Company's current liabilities also exceed its current assets as at 31st March 2023. In view of the acute financial crisis faced by the Company, 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'). Further, the lead bank, namely Bank Of India, had filed a petition under Section

Financial Period	Qualifications / Reservation /Matter of Emphasis/ Adverse Remarks/ Other Observations in CARO
	7 of the IBC before the Hon'ble National Company Law Tribunal on 28th September 2022. The application is yet to be admitted. Meanwhile, the Board of Directors approved a resolution plan at its meeting held on 26th November 2022 which had since been submitted with all of TIL's Consortium Bankers on 28th November 2022 which is currently under discussion. 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 Statements 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.
	(c) Note No. 10.1 of the accompanying Standalone Financial Statements regarding carry forward of Minimum Alternate Tax Credit of ₹ 3,026 Lakhs as on 31st March 2023 (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. However, we are unable to comment for utilization of said MAT credit in absence of basis for reasonable certainty supported by convincing evidence.
	(d) Note No. 12.5 of the accompanying Standalone Financial Statements regarding Stock in Transit which includes materials valuing ₹ 3,248 Lakhs lying in Bonded Warehouse/at Port as on 31st March 2023 which also includes ₹ 3,234 Lakhs imported in earlier years. These inventories could not be released from the authorities due to nonpayment of custom duty, other charges etc. and as explained, due to this confirmation has also not been received. 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.
	(e) Note No. 35 of the accompanying Standalone Financial Statements regarding an enquiry by "Directorate of Revenue Intelligence & Enforcement" (DRI) which 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. On 7th November 2022 and 10th November 2022 the Company received an Investigation report of DRI dated 20th July 2022 from the GST Authority, together with certain demand intimations based on the Investigation report. These demand initimations were for FY 2019-20 and for FY 2020-21 for payment of tax/interest/penalty amounting to ₹ 928.90 Lakhs & ₹ 3,290.79 Lakhs respectively under Section 74(5) of the GST Act; and a reply to such intimations had been filed by the Company on 17th January 2023. Subsequently, on 24th March 2023, Show Cause Notice - DRC-01 for FY 2019-2020 was issued u/s. 74(1) of the CGST/WBGST Act, 2017 to the Company. A personal hearing was held on 6th April 2023, pursuant to which certain clarifications were submitted by the Company on 17th April 2023. Also, a reply to the Show Cause notice was submitted to the GST Authorities on 8th May 2023. On the same day, i.e 8th May 2023, an Order was issued by the GST authorities for tax, interest, and penalty adding to ₹ 958.97 Lakhs for FY 2019-20. The Company is of the view that the demand raised by GST authorities does not have merit; and hence an appeal against this order shall be filed before the prescribed Appellate Authority as per the provisions under Sec 107 of the CGST Act. In view of this, no provision is considered necessary by the management.
	(f) Trade Receivables, Advances to Suppliers, Trade Payable and Advances from customers amounting to ₹ 3,019 Lakhs, ₹ 1,050 Lakhs, ₹ 12,542 Lakhs and ₹ 3,494 Lakhs respectively were outstanding as on 31st March 2023. 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 bodies corporate to the extent of ₹ 897 Lakhs lying

Financial Period	Qualifications / Reservation /Matter of Emphasis/ Adverse Remarks/ Other Observations in CARO
	outstanding as on 31st March 2023. Hence, we are unable to comment on the correctness of above figures and if any adjustments are required to the said balances as on 31st March 2023 and related impact on these Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the year ended 31st March 2023. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the basis for qualified opinion section, we have determined the matter described below as Key audit matter and our description of how our audit addressed the matter is provided in that context.

Key audit matters	How our audit addressed the key audit matter
Inventories (other than stock in transit) (refer Note 12 of the Standalone Financial Statements)	
The Company in engaged in manufacturing of a comprehensive range of material handling, lifting, port, and road construction equipments with integrated customer support and after-sales service requiring a wide range of spare parts. The total inventory of such materials (other than stock in transit) amounts to ₹10,849 Lakhs as on 31st March 2023 (Refer Note 12 of the Standalone Financial Statements). Inventories are carried at lower of cost or net realizable value. Significant judgment is required in assessing the appropriate level of the provision for slow moving and/or obsolete inventory, determination of net realizable value and we determined this to be a matter of significance to our audit.	Our audit procedures included the following: 1. Obtained an understanding of the management with regard to internal controls relating to Inventory management. 2. We have reviewed the report submitted by the external agency and checked for differences, if any, and whether the same has been accounted for in the books of accounts. 3. We observed physical inventory counts at major locations to ascertain the condition of inventory and tested on a sample of items to assess the cost basis and net realizable value of inventory and evaluated the adequacy of provision for slow moving and obsolete inventories as at 31st March 2023. 4. Tested on a sample basis the accuracy of cost for inventory and testing the net realizable value by comparing actual cost with the latest available contracts for similar products.

For the year ended March 31, 2021

Qualifications in the Companies (Auditor's Report) Order, 2020 on Standalone/ Consolidated Financial Statements for the financial year 2020-21

(i) (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed, transfer deed, conveyance deed, mutation of title papers, provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings, are held in the name of the Company as at the balance sheet date, except for the following:

Description of the property	Gross Carrying Value (₹ in lakhs)	Held in name of	whether promoter, director or their relative or employee	Property held since when	Reason for not being held in name of company
Freehold Land admeasuring 30.48 acres located at Changaul, Kharagpur, West Bengal	309	Various owners having small plots	No	01.04.2009	The Company is in the process of executing the deeds with the respective sellers.

Financial Period	Qualifications / Reservation /Matter of Emphasis/ Adverse Remarks/ Other Observations in CARO

Flat located at Mumbai	1	Managing Director of erstwhile Spundish Engineering Limited	No	01.05.1975	The title deeds are in the name of Managing Director of erstwhile Spundish Engineering Limited, which was amalgamated with the Company in earlier years.

In respect of immovable properties of land and buildings that have been taken on lease and disclosed as Right of Use Assets in the standalone financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement, except the following:

Description of the property	Gross Carrying Value (₹ in lakhs)	Held in name of	whether promoter, director or their relative or employee	Property held since when	Reason for not being held in name of company
Leasehold Land admeasuring 9,919.40 square meters located at Kolkata, West Bengal	1,048	Shyama Prasad Mukherjee Port Trust	No	01-05-1960	The Lease deed of related land with Shyama Prasad Mukherjee Port Trust has expired on 31st March 2015. The Company is in the process of renewing the lease deed.

Qualifications in the Statutory Auditors Report on Standalone/Consolidated Financial Statements for the financial year 2021-22

1. We draw attention to Note 32 of the accompanying Standalone Financial Statements, regarding the following accounting adjustments, as detailed in the said note, carried out during the quarter/year ended 31st March 2022 by the Company to rectify accounting mistakes/ misstatements made in the books of accounts in the previous financial years, based on the findings of the Management audit report as stated in the said note and its consideration by the Board of Directors in its meeting held on 13th September 2022.

   (a) Loans amounting to ₹ 3,276 lakhs & ₹ 1,200 lakhs were received from the promoters/ promoter's group of companies and other lenders respectively in earlier years which were wrongly credited to Inventories account instead of respective loans account. The same has been rectified by the management by reinstating the respective loan accounts and inventory. The amount of inventory as reinstated has been written off and shown as exceptional item. We were unable to obtain sufficient appropriate audit evidence with respect to above adjustment for accounting mistakes/ misstatements occurred in earlier years.

Financial Period	Qualifications / Reservation /Matter of Emphasis/ Adverse Remarks/ Other Observations in CARO

(b) Based on the findings of the Management audit report, a difference of ₹ 11,109 lakhs have been identified by the Management between the Inventory as shown in the books of accounts and the inventory appearing in Material module in the ERP system as on 31st March 2022. Such difference comprises of ₹ 4,476 lakhs as mentioned in point no.(a) above and further difference of ₹ 6,633 lakhs owing to certain wrong accounting carried out. The above differences have been written off during the quarter/year end to reflect the correct position of Inventory as on the Balance Sheet date. We were unable to obtain sufficient appropriate audit evidence with respect to the reasons for above differences as on Balance Sheet date.

(c) During the year, the management had engaged an external party to physically verify its inventory and also to make a value assessment of inventory lying physically. Based on the findings of the surveyor's report (covering 59% of Inventory lying as on 28th February 2022 for the verification & value assessment), a sum of ₹ 3,299 lakhs (including ₹ 282 lakhs based on internal assessment of the management) has been written off/ provided for and shown as exceptional item. However, the above physical verification was not observed by us and we have relied solely on the surveyor's report. Further, the management do not expect any further shortages or obsolescence in the balance 41% inventory not covered in the surveyor's report and hence, in the opinion of the management, no further provision is considered necessary. However, as no physical verification of inventory and its value assessment was done by the management to the extent as mentioned above, we are unable to determine whether any further adjustment is required in this regard.

(d) Trade receivables amounting to ₹ 14,394 lakhs against invoices raised in earlier years as identified by the management auditors were without adequate supporting and further ₹ 2,980 lakhs as identified by the management have been considered as irrecoverable. Further, based on management's internal assessment on the recoverability of other trade receivables, additional balances amounting to ₹ 2,923 lakhs have also been identified as irrecoverable. Hence a sum of ₹8,348 lakhs (net of ₹5 ,830 lakhs of further provision during the year and utilisation of ₹ 6,119 lakhs out of provisions made in earlier years) have been written off and shown as exceptional item. The above adjustments have been made by the management solely on the basis of Management Audit Report and management internal estimates and we have not been provided sufficient appropriate audit evidence.

(e) During the first quarter ended 30th June 2021, certain bills of exchange were accepted by certain employees of the Company without receipt of supplies and the banks later recovered the money from the Company which has been debited to supplier's accounts and shown as advances. Consequently, such advances to the tune of ₹ 3,232 lakhs could not be recovered and hence a sum of ₹ 1,400 lakhs have been written off and balance amount of ₹ 1,832 lakhs have been provided and shown as exceptional item. The reasons for bifurcation between the amount of write-off and provisions as stated above, is solely based on management estimates. The company has sent several notices for the recovery of such payments and is in the process of initiating legal course of action. Further, an enquiry by "Directorate of Revenue Intelligence & Enforcement" (DRI) has also been ongoing since June 2021 in respect to sales/purchase transactions entered into by the company with these vendors and the matter is pending with DRI. In the opinion of the management, the company does not foresee any additional liability in this regard. Pending outcome of the above enquiry, we are unable to determine potential impact of any unforeseen liabilities towards above and its consequential impact on the Standalone Financial Statements.

2. We draw attention to note 33 of the Standalone Financial Statements, which states that the Company has not restated the Standalone Financial Statements of the previous years in which the accounting mistakes / misstatements occurred, as per the requirements of Indian Accounting Standard -8, "Accounting Policies, Changes in Accounting Estimates and Errors" and made

Financial Period	Qualifications / Reservation /Matter of Emphasis/ Adverse Remarks/ Other Observations in CARO
	accounting adjustments for accounting mistakes/misstatements as mentioned in the paragraph 1 above in the current financial year ended 31st March 2022. Further, as explained to us, the Company has not approached "National Company Law Appellate Tribunal" (NCLT) as per the provisions of section 130 & 131 of the Companies Act 2013, which requires prior approval of NCLT for recasting of earlier period financial statements. Further, as stated in note 1 above, the adjustments to rectify the accounting mistakes/ misstatements have been made by the management solely based on the management audit report. As these accounting mistakes/ misstatements are pertaining to earlier years as mentioned in the management audit report, we have been unable to carry out any additional procedures to ensure the completeness of the same and are unable to comment on the opening balances brought forward in the current financial year in the books of account. 3. As mentioned in note no. 36 of Standalone Financial Statement, Trade receivables, Advances to Suppliers, Trade Payable and Advances from customers amounting to ₹ 2,610 lakhs, ₹ 1,008 lakhs, ₹ 9,284 lakhs and ₹ 3,873 lakhs respectively were outstanding as on the Balance Sheet date. 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 Bank Guarantees and Letter of credit issued by Banks to extent of ₹ 2,197 lakhs and ₹ 154 lakhs respectively and also confirmations for Loans from bodies corporate to extent of ₹ 265 lakhs. Hence, we are unable to comment on the correctness of above figures and adjustments, if any, are required to the said balances as on 31st March 2022 and related disclosures in these Standalone Financial Statements. 4. We draw attention to note 10.1 of the Standalone Financial Statements regarding carry forward of MAT Credit of ₹ 3,026 lakhs as on 31st March 2022 (a component of deferred tax asset in the financial statement) which has been accounted for in earlier years and in the opinion of the management, sufficient future taxable profit will be available against which these unused tax credit can be utilised within the stipulated period. However, we are unable to comment for utilisation of said MAT credit in absence of basis for reasonable certainty supported by convincing evidence. 5. We draw attention to note no. 35 of the Standalone Financial Statements where 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 ₹ 15,829 lakhs as required under Ind AS-109 and its impact on financial statements 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 statements. 6. We draw attention to note 12.5 of the Standalone Financial Statements regarding materials valuing ₹ 3,787 lakhs lying in Bonded Warehouse/ port as on 31st March 2022 which includes ₹ 2,433 lakhs imported in earlier years and disclosed as Stock in transit in the Financial Statements which were not released from customs authorities due to non-payment of custom duty, other charges etc. The Company has obtained confirmation from its logistics partner regarding the existence of the inventory as at the balance sheet date and 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 determine whether any provision for obsolescence are required in this regard. 7. Going Concern Assessment We draw attention to note 34 in the Standalone Financial statements which states that during the year, the company has incurred a loss of ₹ 41,699 lakhs (including adjustments as stated above) and its net worth has become negative as on the Balance Sheet date. Further, the Company's current liabilities exceeded its current assets by ₹ 17,835 lakhs as at the balance

Financial Period	Qualifications / Reservation /Matter of Emphasis/ Adverse Remarks/ Other Observations in CARO
	sheet date. The Company's lenders have declared the loan facilities granted to the Company as Non-Performing Asset (NPA) and the Company has also received advance notice for application under the Insolvency and Bankruptcy Code 2016 from one of the lenders on 12th August 2022. 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. In view of above, we are unable to obtain sufficient appropriate audit evidence as to whether the Company will be able to service its debts, realize its assets and discharge its liabilities as and when they become due over the period of next 12 months. Accordingly, we are unable to comment on whether the Company will be able to continue as Going Concern.

PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS

Income

Our Income comprises of:

1. ***Revenue from operations***

   The Company is engaged in manufacturing of a comprehensive range of material handling, lifting, port, and road construction equipments with integrated customer support and after-sales service requiring a wide range of spare parts. Revenue from operations comprises of revenue from sale of products and revenue from other operating income which includes Sale of various machines and equipment manufactured by the company, Sale of Spares/ parts and Income from Servicing such machines, Scrap Sales.

2. ***Other Income***

   Other income primarily comprises of Interest income from Banks, Dividend income on the investments made by the company, Gain from sale of Assets/ PPE, Gain on Fair valuation of Investment, Reversals of Provisions/Liabilities no longer required, and other income in terms of compliance to IndAS.

Expenses

Our expenses primarily comprise followings.

1. ***Cost of materials consumed***

   Cost of material consumed include cost of raw materials required for our operations, including steel and other parts for production of machines. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Obsolete, slow moving and defective inventories are identified periodically and, where necessary, a provision is made for such inventories.

2. ***Purchase of stock-in-trade***

   The purchase of stock-in-trade comprises of purchase of spare parts for re-selling/trading purpose.

3. ***Changes in inventories of finished goods, stock-in-trade and work-in-progress***

   Changes in inventories comprises of difference in closing balance *vis-a-vis* opening balance of Work in Progress, Finished Goods and stock in trade.

4. ***Employee benefit expense***

   Employee benefit expense consists of salaries, wages, bonus, contribution to provident fund & other funds like Employees' pension fund/ Gratuity Fund/ Superannuation fund, employee stock option expense and staff welfare expenses.

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognized in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the Financial Statements.

5. *Finance costs*

Finance cost comprises of interest on borrowings from Banks and other financial institutions, unwinding interest on lease liabilities, unwinding interest on Financial Instrument at amortised cost and other finance cost like loan processing fees etc.

All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale.

6. Depreciation and Amortization Expense

Depreciation and amortization expense comprise of depreciation expense of lease assets, Property Plant and Equipment including plant and equipment, furniture & fixture, office equipment, computers etc. This also includes the amortization amount on Intangible assets recognised by the company. The Depreciation and amortization is recognised in terms of IndAS and Schedule II of the Companies Act, 2013.

Depreciation on Property, Plant and Equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

An item of Property Plant and Equipments (PPE) is de-recognized upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

7. Other expenses

Other expenses comprise of expenses related to production like Consumables cost, Power and Fuel, Rent Expenses, Repairs and Maintenance to Building/ Plant & Machineries and also other business expenses like Outward Freight and Forwarding Charges, Insurance, Technical and Professional expenses, Provisions required as per IndAS, Rates and Taxes, Conveyance & Travelling expenses etc.

8. Tax Expenses

Tax expense comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognized for the future tax consequences to the extent it is probable that future taxable profits will be available against which such unused tax losses can be utilized.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Tax Credit is recognized in respect of Minimum Alternate Tax (MAT) as per the provisions of Section 115JAA/115JB of the Income Tax Act, 1961 based on convincing evidence that the Company will recover the same against normal income tax within the statutory time frame which is reviewed at each Balance Sheet Date.

Results of our Operations

The following table sets forth certain information with respect to our results of operations for the periods indicated:

Nine-month period ended December 31, 2023 compared to nine-month period ended December 31, 2022

(₹ in lakhs)

	Particulars	Nine-month period ended December 31, 2023	% of total income	Nine-month period ended December 31, 2022	% of total income
1.	**Income**				
	Revenue from operations	3,548	97.23%	2,797	77.63%
	Other Income	101	2.77%	806	22.37%
	Total income	**3,649**	**100.00%**	**3,603**	**100.00%**
2.	**Expenses**				
	a) Cost of materials consumed	2,498	68.46%	763	21.18%
	b) Purchase of Stock in trade	341	9.35%	253	7.02%
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(394)	(10.80)%	1,142	31.70%
	d) Employee benefits expense	2,349	64.37%	2,806	77.88%
	e) Finance Costs	2,063	56.54%	2,787	77.35%
	f) Depreciation and Amortisation	542	14.85%	693	19.23%
	g) Other Expenses	3,545	97.15%	2,107	58.48%
	Total expenses	**10,944**	**299.92%**	**10,551.00**	**292.84%**
3.	**Profit/(Loss) before exceptional items and Tax**	**(7,295)**	**(199.92)%**	**(6,948)**	**(192.84)%**
4.	**Exceptional Items**	16,878	462.54%	0	0.00%
5.	**Profit/(Loss) before Tax and after exceptional items**	9,583	262.62%	(6,948)	(192.84)%
6.	**Tax Expenses**	1,052	28.83%	(329)	(9.13)%
7.	**Net Profit/(Loss) for the period/year**	**8,531**	**233.79%**	**(6,619)**	**(183.71)%**
8.	**Other Comprehensive Income/(Loss) for the period**	(53)	(1.45)%	13	0.36%
9.	**Total Comprehensive Income/(Loss) for the period**	**8,478**	**232.34%**	**(6606)**	**(183.35)%**

Total Income

Our total income increased by 1.28% to ₹3,649 lakhs for the nine-month period ended December 31, 2023 from ₹3,603 lakhs for the nine-month period ended December 31, 2022. The changes are due to following reasons:

Revenue from operations

Our revenue from operations increased by 26.85% to ₹3,548 lakh for the nine-month period ended December 31, 2023 from ₹2,797 lakhs for the nine-month period ended December 31, 2022 primarily because of increase in sale of products.

Other income

Our other income decreased by 87.47% to ₹101 lakh for the nine-month period ended December 31, 2023 from ₹806 lakhs for the nine-month period ended December 31, 2022. The decrease is attributable to write back of provisions in the nine-months period ended December 31, 2022.

Expenses

Our total expenses increased by 3.72% to ₹10,944 lakh for the nine-month period ended December 31, 2023 from ₹10,551 lakhs for the nine-month period ended December 31, 2022, due to following reasons:

Cost of materials consumed

Our cost of materials consumed increased by 227.39% to ₹2,498 lakh for the nine-month period ended December 31, 2023 from ₹763 lakh for the nine-month period ended December 31, 2022 due to increase in production in line with resumption of scaled up operations.

Purchase of Stock in trade

Our cost of goods sold comprises purchase of stock-in-trade and changes in inventory of stock-in-trade. Our purchase of stock in trade increased by 34.78% to ₹341 lakh for the nine months' period ended December 31, 2023 from ₹253 lakhs for the nine-month period ended December 31, 2022, primarily due to increase in production in line with resumption of scaled up operations.

Changes in inventories of stock in trade

Our inventories of stock in trade stood at ₹(394) lakhs for the nine months' period ended December 31, 2023 as compared to ₹ 1,142 lakhs for the nine-month period ended December 31, 2022 due to improvement in sales of products.

Employee benefit expense

Our employees benefit expense decreased by 16.29% to ₹2,349 lakhs for nine-month period ended December 31, 2023 from ₹2,806 lakhs for nine-month period ended December 31, 2022 primarily on account of reduction in the overall employee count.

Finance cost

Our finance cost decreased by 25.98% to ₹2,063 lakhs for nine-month period ended December 31, 2023 from ₹2,787 lakhs for nine-month period ended December 31, 2022 due to repayment in borrowings.

Depreciation and amortisation expense

Our depreciation and amortisation expenses decreased by 21.79% to ₹542 lakhs for nine-month period ended December 31, 2023 from ₹693 lakhs for nine-month period ended December 31, 2022, primarily on account of no investment in new machinery during the period.

Other Expenses

Our other expenses increased by 68.25% to ₹3,545 lakhs for nine-month period ended December 31, 2023 from ₹2,107 lakhs for nine-month period ended December 31, 2022, primarily due to additional professional services availed, provisions for bad debts and additional detention charges paid.

Exceptional item:

We had an exceptional item recorded for the nine-month period ended December 31, 2023 of ₹ 16,878 lakhs as compared to nil in the nine-month period ended December 31, 2022. The exceptional item is due to a one time settlement during the current fiscal amounting to ₹ 13,990 lakhs written back and sale of immovable property having a net gain of ₹ 28.88 lakhs.

Tax expenses

Our tax expenses for the nine-month period ended December 31, 2023 was ₹ 1,052 lakhs as compared to ₹ (329) lakhs for the nine-month period ended December 31, 2022, primarily due to improvement in sales and resumption of activities.

Profit/(Loss) for the period

Our profit for the nine month the period ended December 31, 2023 stood at ₹ 8,531 lakhs as compared to loss of ₹ 6,619 lakhs for nine-month period ended December 31, 2023 due to the abovementioned reasons.

Period ended March 31, 2023 compared to period ended March 31, 2022

(₹ in lakhs)

	Particulars	Fiscal 2023	% of total income	Fiscal 2022	% of total income
1.	**Income**				
	Revenue from operations	4,383	86.74%	6,624	85.88%
	Other Income	670	13.26%	1,089	14.12%
	Total income	**5,053**	**100.00%**	**7,713**	**100.00%**
2.	**Expenses**				
	a) Cost of materials consumed	1,173	23.21%	2,098	27.20%
	b) Purchase of Stock in trade	309	6.12%	2,004	25.98%
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	1,604	31.74%	(1,002)	(12.99)%
	d) Employee benefits expense	3,673	72.69%	5,536	71.77%
	e) Finance Costs	3,624	71.72%	3,620	46.93%
	f) Depreciation and Amortisation	895	17.71%	995	12.90%
	g) Other Expenses	3,247	64.26%	10,325	133.86%
	Total expenses	**14,525**	**287.45%**	**23,576**	**305.67%**
3.	**Profit/(Loss) before exceptional items and Tax**	**(9,472)**	**(187.45)%**	**(15,863)**	**(205.67)%**
4.	**Exceptional Items**	0	0.00%	(25,953)	(336.48)%
5.	**Profit/(Loss) before Tax and after exceptional items**	(9,472)	(187.45)%	(41,816)	(542.15)%
6.	**Tax Expenses**	(370)	(7.32)%	1,301	16.87%
7.	**Net Profit/(Loss) for the period/year**	**(9,102)**	**(180.13)%**	**(43,117)**	**(559.02)%**
8.	**Other Comprehensive Income/(Loss) for the period**	(36)	(0.71)%	29	0.38%
9.	**Total Comprehensive Income/(Loss) for the period**	**(9,138)**	(180.84)%	**(43,088)**	**(558.64)%**

Total Income

Our total income decreased by 34.49% to ₹5,053 lakhs for Fiscal 2023 from ₹7,713 lakhs for Fiscal 2022. The changes are due to following reasons:

Revenue from operations

Our revenue from operations decreased by 33.83% to ₹4,383 lakhs for Fiscal 2023 from ₹6,624 lakhs for Fiscal 2022 primarily because of decreased sales in Fiscal 2023 owing to liquidity constraints and overall slowdown in business on account of our account being classified as non-performing assets by our lenders.

Other income

Our other income decreased by 38.48% to ₹670 lakhs for Fiscal 2023 from ₹1,089 lakhs for Fiscal 2022. The decrease is attributable to higher write back of provisions in Fiscal 2022 compared to Fiscal 2023.

Expenses

Our total expenses decreased by 38.39% to ₹14,525 lakh for Fiscal 2023 from ₹23,576 lakhs for Fiscal 2022, due to following reasons:

Cost of materials consumed

Our cost of materials consumed decreased by 44.09% to ₹1,173 lakhs for Fiscal 2023 from ₹2,098 lakhs for Fiscal 2022 due to lower sales of products in Fiscal 2023.

Purchase of Stock in trade

Our cost of goods sold comprises purchase of stock-in-trade and changes in inventory of stock-in-trade. Our purchase of stock in trade decreased by 84.58% to ₹309 lakhs for Fiscal 2023 from ₹2,004 lakhs for Fiscal 2022, primarily due to production remaining at near constant levels and no fresh orders being obtained.

Changes in inventories of stock in trade

Our inventories of stock in trade stood at ₹1,604 lakhs for Fiscal 2023 as compared to ₹ (1,002) lakhs for Fiscal 2022 due to overall lower sales in Fiscal 2023.

Employee benefit expense

Our employees benefit expense decreased by 33.65% to ₹3,673 lakhs for Fiscal 2023 from ₹5,536 lakhs for Fiscal 2022 primarily on account of decrease in the overall headcount of employees.

Finance cost

Our finance cost increased marginally by 0.11% to ₹3,624 lakhs for Fiscal 2023 from ₹3,620 lakhs for Fiscal 2022 due to no further borrowings or repayment of outstanding debt.

Depreciation and amortisation expense

Our depreciation and amortisation expenses decreased by 10.05% to ₹895 lakhs for Fiscal 2023 from ₹995 lakhs for Fiscal 2022, primarily on account of lower sales and non-addition of any new plant or machinery.

Other Expenses

Our other expenses decreased by 68.55% to ₹3,247 lakhs for Fiscal 2023 from ₹10,325 lakhs for Fiscal 2022, primarily due to write off of debtors, advances to the tune of ₹ 5,900 lakhs supplemented by excess detention charges amounting to ₹ 1,277 lakhs in Fiscal 2022.

Exceptional item:

We had no exception item recorded in Fiscal 2023 compared to exceptional items recorded for Fiscal 2022 of ₹(25,953) lakhs. The exceptional items were due to, among other items, inventories of ₹ 14,400 lakhs being written off, supplemented by other write offs like advances to suppliers and trade receivables totalling to approximately ₹ 10,000 lakhs.

Tax expenses

Our tax expenses for Fiscal 2023 was ₹ (370) lakhs as compared to ₹ 1,301 lakhs for Fiscal 2022, primarily due to stagnation of sales and operations.

Profit/(Loss) for the period

Our loss for Fiscal 2023 stood at ₹9,102 lakhs as compared to loss of ₹43,117 lakhs for Fiscal 2022 due to the abovementioned reasons.

Period ended March 31, 2022 compared to period ended March 31, 2021

(₹ in lakhs)

	Particulars	Fiscal 2022	% of total income	Fiscal 2021	% of total income
1.	**Income**				

	Particulars	Fiscal 2022	% of total income	Fiscal 2021	% of total income
	Revenue from operations	6,624	85.88%	31,323	97.73%
	Other Income	1,089	14.12%	728	2.27%
	Total income	**7,713**	**100.00%**	**32,051**	**100.00%**
2.	**Expenses**				
	a) Cost of materials consumed	2,098	27.20%	11,344	35.39%
	b) Purchase of Stock in trade	2,004	25.98%	10,488	32.72%
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(1002)	(12.99)%	234	0.73%
	d) Employee benefits expense	5,536	71.77%	5,528	17.25%
	e) Finance Costs	3,620	46.93%	3,465	10.81%
	f) Depreciation and Amortisation	995	12.90%	1,187	3.70%
	g) Other Expenses	10,325	133.86%	7,170	22.37%
	Total expenses	**23,576**	**305.67%**	**39,416**	**122.98%**
3.	**Profit/(Loss) before exceptional items and Tax**	**(15,863)**	**(205.67)%**	**(7,365)**	**(22.98)%**
4.	**Exceptional Items**	(25,953)	(336.48)%	224	0.70%
5.	**Profit/(Loss) before Tax and after exceptional items**	**(41,816)**	**(542.15)%**	**(7,141)**	**(22.28)%**
6.	**Tax Expenses**	1,301	16.87%	(293)	(0.91)%
7.	**Net Profit/(Loss) for the period/year**	**(43,117)**	**(559.02)%**	**(6,848)**	**(21.37)%**
8.	**Other Comprehensive Income/(Loss) for the period**	29	0.38%	(76)	(0.24)%
9.	**Total Comprehensive Income/(Loss) for the period**	**(43,088)**	**(558.64)%**	**(6,924)**	**(21.60)%**

Total Income

Our total income decreased by 75.94% to ₹7,713 lakhs for Fiscal 2022 from ₹32,051 lakhs for Fiscal 2021. The changes are due to following reasons:

Revenue from operations

Our revenue from operations decreased by 78.85% to ₹6,624 lakhs for Fiscal 2022 from ₹31,323 lakhs for Fiscal 2021 primarily because of reduced sales owing to supply chain impact and manufacturing unit shutdowns during the COVID-19 pandemic.

Other income

Our other income increased by 49.59% to ₹1,089 lakhs for Fiscal 2022 from ₹728 lakhs for Fiscal 2021. The increase is attributable to write back of provisions, net gain on assets held for sale and interest income on bank deposits at amortised costs in Fiscal 2022 being higher in comparison to Fiscal 2021.

Expenses

Our total expenses decreased by 40.19% to ₹23,576 lakhs for Fiscal 2022 from ₹39,416 lakhs for Fiscal 2021, due to following reasons:

Cost of materials consumed

Our cost of materials consumed decreased by 81.51% to ₹2,098 lakhs for Fiscal 2022 from ₹11,344 lakhs for Fiscal 2021 due to lower production and sales owing to supply chain and manufacturing facility operations disruptions.

Purchase of Stock in trade

Our cost of goods sold comprises purchase of stock-in-trade and changes in inventory of stock-in-trade. Our purchase of stock in trade decreased by 80.89% to ₹ 2,004 lakhs for Fiscal 2022 from ₹ 10,488 lakhs for Fiscal 2021, primarily due to lower levels of production and sales.

Changes in inventories of stock in trade

Our inventories of stock in trade stood at ₹ (1,002) lakhs for Fiscal 2022 as compared to ₹ 234 lakh for Fiscal 2021 due to lower levels of production and sales.

Employee benefit expense

Our employees benefit expense increased marginally by 0.14% to ₹ 5,536 lakhs for Fiscal 2022 from ₹ 5,528 lakhs for Fiscal 2021 primarily on account of increments in the ordinary course.

Finance cost

Our finance cost increased by 4.47% to ₹3,620 lakhs for Fiscal 2022 from ₹3,465 lakhs for Fiscal 2021 due to overall debt levels remaining constant.

Depreciation and amortisation expense

Our depreciation and amortisation expenses decreased by 16.18% to ₹ 995 lakhs for Fiscal 2022 from ₹1,187 lakhs for Fiscal 2021, primarily on account of no additions to plant and machinery during the year and wear and tear of machines during normal operations.

Other Expenses

Our other expenses increased by 44.00% to ₹ 10,325 lakhs for Fiscal 2022 from ₹ 7,170 lakhs for Fiscal 2021, primarily due to write-off of bad debts amounting to approximately ₹ 6,000 lakhs in Fiscal 2022.

Exceptional item:

We had exceptional items recorded for Fiscal 2022 of ₹(25,953) lakhs compared to ₹ 224 lakhs in Fiscal 2021. The exceptional items in Fiscal 2022 were due to, among other items, inventories of ₹ 14,400 lakhs being written off, supplemented by other write offs like advances to suppliers and trade receivables totalling to approximately ₹ 10,000 lakhs as compared to profit on assets held for sale in Fiscal 2021.

Tax expenses

Our tax expenses for Fiscal 2022 was ₹ 1,301 lakhs for Fiscal 2022 compared to ₹ (293) lakhs in Fiscal 2021, primarily due to lower sales and reduced operations in Fiscal 2022.

Profit/(Loss) for the period

Our loss for Fiscal 2022 stood at ₹ 43,117 lakhs as compared to loss of ₹ 6,848 lakhs for Fiscal 2021 due to the abovementioned reasons.

Related Party Transactions

For details, please see the chapter titled "*Financial Statements*" beginning on page 67.

Significant developments after March 31, 2023 that may affect our future results of operations

Except as stated in this Letter of Offer and as disclosed below, to our knowledge, non circumstances have arisen since March 31, 2023, which materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities:

One time settlement of outstanding borrowings

Pursuant to the meeting of the joint lenders forum held on July 4, 2023, the lenders of the Company, namely Bank of India, Union Bank of India, State Bank of India, Axis Bank Limited, HDFC Bank Limited, IDBI Bank, Punjab National Bank, Indian Bank and South Indian Bank have approved of settlement of outstanding dues aggregating to ₹ 222.99 crores against a one-time settlement of ₹ 144.00 crores, consisting of upfront deposit of ₹ 20 crores in a no-lien account, ₹ 79 crores as fund based deposits and a counter bank guarantee of ₹ 45 crores issued by IndusInd Bank. The amounts have been deposited by the Company and a suitable counter bank guarantee issued, pursuant to which the erstwhile lenders of the Company have issued no-due certificates as follows:

Bank of India	February 3, 2024
Axis Bank Limited	February 5, 2024
HDFC Bank Limited	February 8, 2024
Indian Bank	February 6, 2024
IDBI Bank Limited	February 5, 2024
Punjab National Bank	February 7, 2024
State Bank of India	February 6, 2024
South Indian Bank	February 7, 2024
Union Bank	February 7, 2024

Further, our Company has also settled the dues of Aditya Birla Finance Limited pursuant to one-time payment and has received no dues certificate dated February 1, 2024.

Change in control

In furtherance of the one-time settlement with the lenders of the Company, we have inducted Indocrest Defence Solutions Private Limited as a members of the Promoter Group. Pursuant to a preferential allotment on January 24, 2024, our Corporate Promoter was allotted 74,96,592 Equity Shares representing 42.77% of the issued, subscribed and paid-up capital of our Company. As the preferential allotment was made under Regulation 164A of the SEBI ICDR Regulations, no open offer was required to be made in terms of the SEBI SAST Regulations. Further, the existing Board of Directors of the Company resigned and subsequently, each of our current Directors has been inducted to our Board.

Withdrawal of credit rating 'CARE D'

Pursuant to a letter dated February 16, 2024, CARE Ratings Limited had withdrawn its previous rating of 'CARE D; Issuer Not Cooperating' pursuant to the issue of no-objection certificate issued by the State Bank of India. As on date the facilities of our Company are not rated.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND DEFAULTS

*Except as disclosed below, there is no outstanding litigation with respect to (i) issues of moral turpitude or criminal liability on the part of our Company and /or our Promoters; (ii) material violations of statutory regulations by our Company and /or our Promoters; (iii) economic offences where proceedings have been initiated against our Company; (iv) any pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position; and (v) other litigation, including civil or tax litigation proceedings, which involves an amount in excess of the Materiality Threshold (as defined below) considered material in terms of the "Policy for Determination of Materiality of Events and Information" adopted by our Board, in accordance with the requirements under Regulation 30 of the SEBI Listing Regulations (**"Materiality Policy"**).*

In this regard, please note the following:

1. *Any outstanding litigation involving our Company i.e., proceedings other than litigation involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences, shall be considered material and shall be disclosed in this Letter of Offer or the Abridged Letter of Offer, if (i) the monetary claim involved in such proceedings is an amount equal to or exceeding 2% of the turnover for Fiscal 2023 as per the audited consolidated financial statements of the Company (being ₹ 87.66 lakh) ("**Materiality Threshold**"), and / or (ii) is otherwise determined to be material in terms of the Materiality Policy.*

2. *Pre-litigation notices received by our Company from third parties (excluding notices pertaining to any offence involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences) shall not be evaluated for materiality until such time our Company are impleaded as defendants in litigation proceedings before any judicial forum.*

All terms defined herein in a particular litigation disclosure pertain to that litigation only.

Litigations involving our Company

There are no issues of moral turpitude or criminal liability, material violations of statutory regulations or economic offences or material pending matters involving our Company, except as follows:

A. Proceedings involving issues of moral turpitude or criminal liability

i. Criminal Litigations initiated against our Company

As on the date of this Letter of Offer, there are no criminal litigations initiated against our Company, except as below.

Our Company and our Individual Promoters were classified as fraudulent borrowers by HDFC Bank Limited and an FIR dated November 28, 2022 was registered against our Company, our Individual Promoters, our previous directors and a previous employee in the Karaya Police Station. Thereafter the Chief Judicial Magistrate, Alipore by way of an order dated November 29, 2022 directed the Inspector-in-charge of Karaya Police Station to commence investigation basis the complaint received and FIR lodged and to submit the findings of its investigations. Upon conclusion of investigations, a final report was filed by the investigating officer dated October 30, 2023, wherein the investigating officer found no prima facie case made out under the relevant sections of the Indian Penal Code and declared the offences stated in the complaint of HDFC Bank Limited to be civil in nature and recommending discharge of all the accused. Additionally, we have pursuant to a one-time settlement offer, settled all outstanding dues of HDFC Bank Limited and HDFC Bank Limited has issued a no-dues certificate dated February 8, 2024. The criminal matter is currently pending before the Chief Judicial Magistrate, Alipore and the next date of hearing is May 2, 2024.

ii. Criminal Litigations initiated by our Company

As on the date of this Letter of Offer, there are no criminal litigations initiated by our Company.

B. Matters involving material violations of statutory regulations by our Company

As on the date of this Letter of Offer, there are no proceedings/matters involving material violations of statutory regulations by our Company, except as disclosed below.

C. Economic offences where proceedings have been initiated against our Company

As on the date of this Letter of Offer, there are no economic offences where proceedings have been initiated against our Company.

For details of the criminal case registered against our Company, Individual Promoters and certain erstwhile employees of our Company pursuant to classification as fraudulent borrower by HDFC Bank Limited, please see "*– Criminal Litigations initiated against our Company*" above.

D. Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company

Civil Litigations initiated against our Company

As on the date of this Letter of Offer, there are no outstanding civil litigations initiated against our Company exceeding the materiality threshold, except as disclosed below:

Shapoorji Pallonjee and Company Private Limited ("**SPCL**") has filed a claim of around ₹ 1,263 lakhs from our Company relating to the contract of construction of our Kharagpur plant. Subsequent to negotiations, SPCL invoked arbitration under the provisions of the contract and the Calcutta High Court directed the matter to be referred to arbitration. SPCL filed a statement of claims before the arbitration tribunal and our Company filed objections against the claim stating that ₹ 92 lakhs were payable in terms the settlement negotiations between the parties. Thereafter the arbitration tribunal passed an order in April 22, 2022 werein it partially allowed the claims made by SPCL and directed our Company to pay approximately ₹ 320 lakhs including interest. Thereafter our Company filed an application under Section 34 of the Arbitration and Conciliation Act, 1996 on August 18, 2022 before the Commercial Court, Alipore challenging the order of the arbitration tribunal and SPCL filed an execution case dated August 6, 2022 in the same court for execution of the arbitral tribunal's order. Both matters are currently pending. Thereafter, by way of an order dated April 5, 2023, the Commercial Court, Alipore in the execution case filed by SPCL, has passed an order directing our Company to deposit the disputed amount of ₹ 3.20 crore in the form of renewable bank guarantees in favour of SPCL with the Registrar of the Commercial Court, Alipore. Our Company has filed objections to the order dated April 5, 2023. The matter remains pending.

Civil Litigations initiated by our Company

As on the date of this Letter of Offer, there are no outstanding civil litigations initiated by our Company exceeding the materiality threshold.

Tax Proceedings initiated against our Company

As on the date of this Letter of Offer, there are no outstanding tax proceedings initiated against our Company exceeding the materiality threshold.

Proceedings involving material violations of statutory regulations by the Promoters and our Company

a) Our Company has in the past received notices from BSE Limited and the National Stock Exchange of India Limited in June 2022 and July 2022, levying penalty for non-compliance with provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including under Regulation 24A for non-submission of secretarial audit report for Fiscal 2022 and Regulation 33 for non-submission of standalone results for March 31, 2022. The Stock Exchanges have levied monetary penalties, frozen the entire shareholding of the Individual Promoters and certain members of the Promoter Group and placed the trading of the Equity Shares under the trade-for-trade segment. Our Company has subsequently paid the fines imposed by the Stock Exchanges.

b) Our Company received an intimation of liability under the Goods and Services Tax Act, 2017 for payment of input tax credit wrongly availed and utilised along with penalty, dated November 10, 2022 from the Directorate of Commercial Taxes, Kolkata. The intimation alleged that our Company had wrongfully availed an utilised input tax credit of ₹ 1,437.04 lakhs in Fiscal 2021 and directing our Company to pay an amount of ₹ 3,290.79 lakhs towards such wrongful input tax credit availment and penalty and interest thereon. Our Company submitted reply to the intimation of liability by way of its letter dated January 12, 2023, denying any wrongful availment of input tax credit and seeking a withdrawal of the notice.

c) Our Company received a letter (SEBI/HO/CFID/CFID_3/OW/2022/14214/1) dated March 31, 2022 from the Corporate Finance Investigation Department, SEBI pursuant to a complaint registered on the SCORES platform, seeking information from our Company in relation to alleged fraudulent entries in our financials for Fiscal 2021 and seeking our connection to an entity under investigation. By way of our letter dated April 11, 2022, our Company submitted that the matter was already under parallel investigation by the Directorate of Revenue Intelligence and Enforcement, Kolkata branch ("**DRI Kolkata**") and accordingly praying that SEBI await the outcome of the investigation by DRI Kolkata. Subsequently, we received an email communication from SEBI seeking submission of the details sought by way of their letter dated March 31, 2022. Pursuant to subsequent email exchanges between our Company and SEBI, we have submitted information sought by SEBI and have sought extension of time for submission of balance information on account on ongoing investigation by DRI Kolkata and audit processes. Thereafter we received a letter dated October 31, 2022 from SEBI seeking submission of incremental information to which our Company has responded by way of emails dated November 4, 2022, November 25, 2022 and December 20, 2022. Thereafter, our Company has received a summons for production of documents dated December 22, 2022 from SEBI, under Sections 11(2), 11C(2) and 11C(3) of the SEBI Act, for furnishing information and documents in relation to the above matter. By way of our letter dated January 9, 2023, we have submitted the relevant information sought by SEBI.

   Subsequent to the perusal of information submitted by our Company, SEBI has issued a show cause notice (SEBI/EAD-1/SKS/LD/24841/1/2023) dated June 16, 2023 to our Company and one of our Individual Promoters, Sumit Mazumder, alleging fraudulent and unfair trade practices and knowingly publishing wrong, false and misleading financial statements for Fiscal 2020 and Fiscal 2021. By way of letter dated July 24, 2023, our Company has responded to the show cause notice denying the allegations, while our Individual Promoter has responded to the show cause notice denying the allegations by way of a letter dated July 25, 2023. Further, the Adjudicating Officer granted our Company and our Individual Promoter, personal hearing on August 7, 2023 wherein it was submitted that no offences relating to the dealing in securities of the Company had been made out in the show cause notices. Our Company made a further submission dated August 14, 2023 reiterating the submissions made at the personal hearing. The matter is currently pending.

d) Our Company received letters dated February 18, 2022 and March 14, 2022 from the Enforcement Directorate, directing our Company to submit proof of realisation of bill for exports dated January 30, 2015. By way of our letter dated August 12, 2022, we ave submitted to the Enforcement Directorate that amounts under the bill had been received and that the bill realisation certificate was pending receipt of from the AD bank on account of a merger between the erstwhile State Bank of Bikaner and Jaipur with the State Bank of India. We have not received any further communication in this respect.

GOVERNMENT AND OTHER APPROVALS

Our Company requires various licenses, registrations, permits and approvals issued by relevant central and state authorities under various rules and regulations ("**Approvals**") for carrying on its present business activities. The requirement for the Approvals may vary based on factors such as the legal requirements in the jurisdiction, in which the stores and warehouses are located. Further, our obligation to obtain and renew such approvals arises periodically and applications for such approvals are made at the appropriate stage.

Since, our Company intends to utilize the proceeds of the Issue, after deducting Issue related expenses for reducing the current liabilities by repaying part of its outstanding trade payables and for general corporate purposes, no government and regulatory approval pertaining to the Object of the Issue will be required.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorised by a resolution of the Board passed at its meeting held on February 14, 2024, pursuant to Section 62 (1) (a) and other applicable provisions of the Companies Act, 2013.

The Board of Directors at its meeting held on March 18, 2024 has resolved to issue Equity Shares at an Issue Price of ₹ 10 per Equity Shares in the ratio of 28 Rights Equity Shares for every 10 Equity Shares, as held on the Record Date. The Rights Issue Committee at its meeting held on March 22, 2024 has resolved that the Record Date shall be March 22, 2023. The Issue Price of ₹ 10 per Rights Equity Share has been arrived at prior to determination of the Record Date.

This Letter of Offer has been approved by our Board on April 15, 2024.

Our Company has received in-principle approvals from BSE and NSE for listing of the Rights Equity Shares to be allotted in this Issue pursuant to their letters dated March 14, 2024 and March 13, 2024, respectively. Our Company will also make applications to BSE and NSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI Rights Issue Circular.

Our Company has been allotted the ISIN INE806C20018 for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Equity Shareholders of our Company. For details, see "*Terms of the Issue*" on page 287.

Prohibition by the SEBI

None of our Company, our Promoters, members of our Promoter Group and our Directors are prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

Neither our Promoters nor our Directors have been declared as Fugitive Economic Offenders.

Association of our Directors with the securities market

None of our Directors are associated with the securities market.

Prohibition by RBI

Except as disclosed below, neither our Company, nor our Promoters or our Directors have been or are identified as Wilful Defaulters or Fraudulant Borrowers.

Our Company and our Individual Promoters were classified as fraudulent borrowers by HDFC Bank Limited and an FIR dated November 28, 2022 was registered against our Company, our Individual Promoters, our previous directors and a previous employee in the Karaya Police Station. Thereafter the Chief Judicial Magistrate, Alipore by way of an order dated November 29, 2022 directed the Inspector-in-charge of Karaya Police Station to commence investigation basis the complaint received and FIR lodged and to submit the findings of its investigations. Upon conclusion of investigations, a final report was filed by the investigating officer dated October 30, 2023, wherein the investigating officer found no prima facie case made out under the relevant sections of the Indian Penal Code and declared the offences stated in the complaint of HDFC Bank Limited to be civil in nature and recommending discharge of all the accused. Additionally, we have pursuant to a one-time settlement offer, settled all outstanding dues of HDFC Bank Limited and HDFC Bank Limited has issued a no-dues certificate dated February 8, 2024. The criminal matter is currently pending before the Chief Judicial Magistrate, Alipore and the next date of hearing is May 2, 2024.

Eligibility for the Issue

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the Stock Exchanges. Our Company is eligible to offer Rights Equity Shares pursuant to this Issue in terms of Chapter III of the SEBI ICDR Regulations and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of the

SEBI ICDR Regulations.

Compliance with Regulation 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Our Company undertakes to make an application for listing of the Rights Equity Shares to be Allotted pursuant to the Issue. NSE is the Designated Stock Exchange for the purpose of the Issue.

Applicability of the SEBI ICDR Regulations

The present Issue being of less than ₹5,000 Lakhs, Our Company is in compliance with first proviso to Regulation 3 of the SEBI ICDR Regulations and our Company shall file the copy of the Letter of Offer prepared in accordance with the SEBI ICDR Regulations with SEBI for information and dissemination on the website of SEBI, i.e. www.sebi.gov.in.

Disclaimer Clause of SEBI

As required, a copy of the Letter of Offer will be submitted to SEBI.

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THE LETTER OF OFFER TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER.

THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE LETTER OF OFFER.

Disclaimer from our Company

Our Company accepts no responsibility for statements made otherwise than in this Letter of Offer or in the advertisement or any other material issued by or at the instance of our Company and that anyone placing reliance on any other source of information would be doing so at their own risk.

We shall make all information available to the Eligible Equity Shareholders and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Letter of Offer with the SEBI.

Applicants will be required to confirm and will be deemed to have represented to our Company and our directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Rights Equity Shares and that they shall not issue, sell, pledge or transfer their Rights Entitlement or Rights Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Rights Equity Shares and are relying on independent advice/ evaluation as to their ability and quantum of investment in this Issue. Our Company and our directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any Investor on whether such Investor is eligible to acquire any Rights Equity Shares.

The Advisor to the Issue and its affiliates may engage in transactions with, and perform services for, our Company and our group entities or affiliates in the ordinary course of business and have engaged, or may in the future engage, in transactions with our Company and our group entities or affiliates, for which they have received, and may in the future receive, compensation.

Cautions

Our Company shall make all relevant information available to the Eligible Equity Shareholders in accordance with the SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Letter of Offer. You must not rely on any unauthorized information or representations. This Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Letter of Offer is current only as at its date.

Disclaimer with respect to jurisdiction

This Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Kolkata, India only.

Designated Stock Exchange

The Designated Stock Exchange for the purposes of this Issue is NSE.

Disclaimer Clause of BSE

BSE Limited ("**the Exchange**") has given, vide its letter dated March 14, 2024 permission to this Company to use the Exchange's name in this Letter of Offer as the stock exchange on which this Company's securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- Warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; or

- Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or

- Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

And it should not for any reason be deemed or construed that this letter of offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer Clause of NSE

As required, a copy of this letter of offer has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref. No. NSE/LIST/40366 dated March 12, 2024 permission to the Issuer to use the Exchange's name in this letter of offer as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer.

It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the letter of offer has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Selling Restrictions

The distribution of this Letter of Offer, Abridged Letter of Offer, Entitlement Letter, Application Form and the issue of Rights Equity Shares, to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this the Letter of Offer, Abridged Letter of Offer, Entitlement Letter or Application Form may come are required to inform themselves about and observe such restrictions.

We are making this Issue of Equity Shares on a rights basis to the Eligible Equity Shareholders and will send/ dispatch the Letter of Offer / Abridged Letter of Offer, Entitlement Letter and Application Form only to email addresses of such Eligible Equity Shareholders who have provided an Indian address to our Company. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to e-mail the Letter of Offer / Abridged Letter of Offer, Entitlement Letter and Application Form, shall not be sent the Letter of Offer / Abridged Letter of Offer, Entitlement Letter and Application Form. Further, the Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, and the Stock Exchanges. Accordingly, our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter and the Application Form.

No action has been or will be taken to permit this Issue in any jurisdiction or the possession, circulation, or distribution of this Letter of Offer /Abridged Letter of Offer and Application Form or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction where action would be required for that purpose.

Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form must be treated as sent for information only and should not be copied, redistributed or acted upon for subscription to Rights Equity Shares or the purchase of Rights Entitlements. Accordingly, persons receiving a copy of this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form should not, in connection with the issue of the Rights Entitlements or Rights Equity Shares, distribute or send such document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations or would subject the Company, Lead Manager or their respective affiliates to any filing or registration requirement (other than in India). If this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and/or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlement or Rights Equity Shares referred to in this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form. Envelopes containing an Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares in this Issue must provide an Indian address.

No information in this Letter of Offer should be considered to be business, financial, legal, tax or investment advice.

Any person who makes an application to acquire Rights Entitlement and the Rights Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction, without requirement for our Company or our affiliates to make any filing or registration (other than in India).

Neither the delivery of the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form nor any sale or offer hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer or date of such information.

The contents of this Letter of Offer and Abridged Letter of Offer should not be construed as legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of buying or selling of Rights Equity Shares or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of Rights Equity Shares or Rights Entitlements. In addition, our Company nor any of our affiliates are making any representation to any offeree or purchaser of the Rights Equity Shares or the Rights Entitlements regarding the legality of an investment in the Rights Equity Shares or the Rights Entitlements by such offeree or purchaser under any applicable laws or regulations.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the United States Securities Act, 1933, as amended ("**Securities Act**"), or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof ("**United States**" or "**U.S.**") or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act ("**Regulation S**"), except in a transaction exempt from the registration requirements of the Securities Act. The Rights Entitlements and Rights Equity Shares referred to in this Letter of Offer are being offered in India and in jurisdictions where such offer and sale of the Rights Equity Shares and/ Or Rights Entitlements are permitted under laws of such jurisdictions, but not in the United States. The offering to which this Letter of Offer and Abridged Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights.

Accordingly, this Letter of Offer / Abridged Letter of Offer, Entitlement Letter and Application Form should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made. No payments for subscribing for the Rights Equity Shares shall be made from US bank accounts and all persons subscribing for the Rights Equity Shares and wishing to hold such Rights Equity Shares in registered form must provide an address for registration of the Rights Equity Shares in India.

We, the Registrar or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which: (i) does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations; (ii) appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and we shall not be bound to allot or issue any Rights Equity Shares in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

Filing

This Letter of Offer is being filed with the Stock Exchanges i.e. BSE and NSE as per the provisions of the SEBI ICDR Regulations. Further, in terms of SEBI ICDR Regulations, our Company shall file the copy of this Letter of Offer with the SEBI at its office located at SEBI Bhavan, Plot No. C4-A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India and will email the same to SEBI at cfddil@sebi.gov.in, for the purpose of their information and dissemination on its website.

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for the redressal of investor complaints in compliance with the corporate governance requirements under the SEBI Listing Regulations. We have been registered with the SEBI Complaints

Redress System (SCORES) as required by the SEBI Circular no. CIR/OIAE/2/2011 dated June 3, 2011. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of shareholders in relation to transfer of shares and effective exercise of voting rights. All investor grievances received by us have been handled by the Company Secretary and Compliance Officer.

The Investor complaints received by our Company are generally disposed of within 15 days from the date of receipt of the complaint.

The average time taken by the Registrar to the Issue for attending to routine grievances will be within 30 (thirty) days from the date of receipt. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavour of the Registrar to the Issue to attend to them as expeditiously as possible. We undertake to resolve the investor grievances in a time bound manner.

Investor Grievances arising out of this Issue:

Any investor grievances arising out of the Issue will be handled by the Registrar to the Issue i.e. Link Intime India Private Limited. The agreement between the Company and the Registrar provides for a period for which records shall be retained by the Registrar in order to enable the Registrar to redress grievances of Investors.

Investors may contact the Registrar or our Compliance Officer for any pre-Issue/post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail ID of the sole/ first holder, folio number or demat account number, serial number of the Application Form, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form, or the plain paper application, as the case may be, was submitted by the ASBA Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please see "*Terms of the Issue*" on page 287.

Investors may contact the Registrar to the Issue at:

Link Intime India Private Limited
C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg
Vikhroli (West)
Mumbai – 400 083
Maharashtra, India.
Telephone: +91 818081 14949
E-mail: til.rights@linkintime.co.in
Investor grievance E-mail: til.rights@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Ms. Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Investors may contact the Company Secretary and Compliance Officer at the below mentioned address for any pre-Issue/ post-Issue related matters such as on-receipt of Letters of Allotment / demat credit/ Refund Orders etc.

The contact details of the Company Secretary are as follows:

Company Secretary and Compliance Officer:

Sekhar Bhattacharjee
1, Taratolla Road, Garden Reach
Kolkata 700 024
West Bengal, India
Telephone: +91 33 2469 3732 -36
E-mail: secretarial.department@tilindia.com

SECTION VII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is correctly filled up. Unless otherwise permitted under the SEBI ICDR Regulations read with ASBA Circular, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this section.

OVERVIEW

This Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI ICDR Regulations, the SEBI Listing Regulations and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice.

1. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS:

In accordance with the SEBI ICDR Regulations, SEBI Rights Issue Circulars, our Company will send/dispatch at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Entitlement Letter, Application Form and other issue material ("**Issue Materials**") only to the Eligible Equity Shareholders who have provided an India address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/dispatched, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses and have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

1. our Company at www.tilindia.in;
2. the Registrar at www.linkintime.co.in;
3. the Stock Exchanges at www.bseindia.com and www.nseindia.com; and
4. the Registrar's web-based application platform at www.linkintime.co.in.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (*i.e.,* www.linkintime.co.in) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN.

Further, our Company will undertake all adequate steps to reach out to the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible. Our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter and the Application Form attributable to the non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in transit.

2. **Facilities for Application in this Issue:**

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and subject to the conditions prescribed under the SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009 and SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011 (together the "SEBI Rights Issue Circulars"), all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, please see "*Procedure for Application through the ASBA Process*" on page 297.

ASBA facility: Investors can submit either the Application Form in physical mode to the Designated Branch of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in their respective ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility. Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, please see "*Procedure for Application through the ASBA Process*" on page 297.

Please note that subject to SCSBs complying with the requirements of SEBI Circular CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI Circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details see "*Terms of the Issue - Grounds for Technical Rejection*" on page 305. Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see "*Application on Plain Paper under ASBA process*" on page 299.

3. **Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders**

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the ASBA Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only.

Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (e) credit of the Rights Entitlements returned/reversed/failed; (f) the ownership of the Equity Shares currently under dispute, including any court proceedings; or (g) Eligible Equity Shareholders who have not provided their Indian addresses.

Eligible Equity Shareholders, whose Rights Entitlements are credited in demat suspense escrow account opened by our Company, are requested to provide relevant details (such as copy of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than two Working Days prior to the Issue Closing Date, *i.e.* May 8, 2024, to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar, to facilitate the aforementioned transfer.

Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar (i.e., www.linkintime.co.in) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.tilindia.in).

4. Other important links and helpline:

The Investors can visit following links for the below-mentioned purposes:

- Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: www.linkintime.co.in
- Updation of Indian address/ email address/ mobile number in the records maintained by the Registrar or our Company: www.linkintime.co.in
- Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: www.linkintime.co.in
- Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Equity Shareholders: til.rights@linkintime.co.in

Renouncees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

Basis for this Issue

The Rights Equity Shares are being offered for subscription for cash to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

Rights Entitlements

Eligible Equity Shareholders whose names appear as a beneficial owner in respect of the Equity Shares held in dematerialised form or appears in the register of members of our Company as an equity shareholder in respect of our Equity Shares held in physical form, as on the Record Date, are entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.linkintime.co.in) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.tilindia.in).

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue

Closing Date. Such Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e., www.linkintime.co.in). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements are credited in their demat accounts.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other applicable Issue material ("Issue Materials") will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address and who are located in jurisdictions where the offer and sale of the Rights Entitlement. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. For further details, see "*Notice to Investors*" on page 9.

PRINCIPAL TERMS OF THIS ISSUE

Face Value

Each Rights Equity Share will have the face value of ₹10.

Issue Price

The Rights Equity Shares are being offered at a price of ₹ 10 per Rights Equity Share in this Issue.

The Issue Price for Rights Equity Shares has been arrived at by our Company prior to the determination of the Record Date.

Rights Entitlements Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 28 Rights Equity Shares for every 10 fully paid-up Equity Shares held by the Eligible Equity Shareholders as on the Record Date.

Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA Rule and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer. For details, please see "*Procedure for Renunciation of Rights Entitlements*" on page 298.

Credit of Rights Entitlements in dematerialised account

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or the Registrar; or (e) credit of the Rights Entitlements returned/reversed/failed; (f) the ownership of the Equity Shares currently under dispute, including any court proceedings;.

In this regard, our Company has made necessary arrangements with NSDL and CDSL for the credit of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. Our Company has received a separate ISIN (INE806C20018) for the Rights Entitlements. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Eligible Equity Shareholders, whose Rights Entitlements are credited in demat suspense escrow account opened by our Company, are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than two Working Days prior to the Issue Closing Date, *i.e.*, by May 8, 2024 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e., www.linkintime.co.in). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, *PER SE*, ENTITLE THE INVESTORS TO THE RIGHTS EQUITY SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS EQUITY SHARES ON OR BEFORE THE ISSUE CLOSING DATE AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, SEE "*PROCEDURE FOR APPLICATION*" ON PAGE 295.

Trading of the Rights Entitlements

In accordance with the ASBA Circular, the Rights Entitlements credited shall be admitted for trading on the Stock Exchanges under ISIN INE806C20018. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. Investors shall be able to transfer their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The transfer through On Market Renunciation and Off Market Renunciation will be settled through the depository mechanism.

The On Market Renunciation shall take place electronically on the secondary market platform of the Stock Exchanges on T+1 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlement.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, *i.e.*, from April 26, 2024 to May 6, 2024 (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date. For details, please see "*Procedure for Renunciation of Rights Entitlements - On Market Renunciation*" and "*Procedure for Renunciation of Rights Entitlements - Off Market Renunciation*" on pages 298 and 299. Once the Rights Entitlements are credited to the demat account of the Renouncees, application in the Issue could be made until the Issue Closing Date. For details, see "*Procedure for Application*" on page 295.

PLEASE NOTE THAT THE RIGHTS ENTITLEMENTS WHICH ARE NEITHER RENOUNCED NOR SUBSCRIBED BY THE INVESTORS ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE.

Payment Schedule of Rights Equity Shares

The Issue Price of ₹ 10 per Rights Equity Share shall be payable at the time of application.

Where an Applicant has applied for additional Rights Equity Shares and is allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The un-blocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 28 Rights Equity Shares for every 10 fully paid-up Equity Shares held as on the Record Date. As per ASBA Circular, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than 1 Equity Share or is not in the multiple of 1 Equity Share, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder holds 4 Equity Shares, such Equity Shareholder will be entitled to Nil Rights Equity Shares and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Equity Shares, over and above his/her Rights Entitlements, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Ranking

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and Allotted under this Issue shall rank *pari passu* with the existing Equity Shares, in all respects including dividends.

Listing and trading of the Rights Equity Shares to be issued pursuant to the Issue

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number LOD/RIGHT/DA/FIP/1421/2023-24 dated March 14, 2024 and from the NSE through letter bearing reference number NSE/LIST/40366 dated March 13, 2024.

Our Company will apply to the Stock Exchanges for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 505196) and NSE (Scrip Code: TIL) under the ISIN: INE806C01018. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approval, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the ISIN for the Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL. The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule

In case our Company fails to obtain listing or trading permission from the Stock Exchange, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within 4 (four) days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within 4 (four) days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at 15% p.a. or such other rate as specified under applicable law from the expiry of such 4 days' period.

Subscription to this Issue by our Promoter and our Promoter Group

For details of the intent and extent of subscription by our Promoter and the Promoter Group, please see the chapter titled "*Capital Structure – Intention and extent of participation by our Promoters and Promoter Group*" on page 42.

Rights of Holders of Rights Equity Shares of our Company

Subject to applicable laws, the holders of Rights Equity Shares shall have the following rights on the Rights Equity Shares:

i. The right to receive dividend, if declared;
ii. The right to vote in person, or by proxy;
iii. The right to receive surplus on liquidation;
iv. The right to free transferability of Rights Equity Shares;
v. The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law
vi. Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

Subject to applicable law and Articles of Association, holders of Rights Equity Shares shall be entitled to the above rights on such Rights Equity Shares in this Issue.

GENERAL TERMS OF THE ISSUE

Market Lot

The Rights Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Rights Equity Shares in dematerialised mode is one Equity Share.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Rights Equity Shares offered in this Issue.

Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Rights Equity Shares to be Allotted in this Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant and follow the process therein.

Arrangements for Disposal of Odd Lots

The Rights Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Rights Equity Share and hence, no arrangements for disposal of odd lots are required.

Restrictions on transfer and transmission of shares and on their consolidation/splitting

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to provisions of the SEBI Listing Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be effected unless the securities are held in the dematerialized form with a depository.

Notices

In accordance with the SEBI ICDR Regulations and SEBI Rights Issue Circulars, our Company will send/dispatch the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue materials only to the Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, this Letter of Offer will be provided by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Marathi language daily newspaper with wide circulation (Marathi being the regional language of Mumbai where our Registered Office is situated).

The Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

Offer to Non-Resident Eligible Equity Shareholders/Investors

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue rights equity shares to non-resident shareholders including additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 read with FEMA Rules, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and/or non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at til.rights@linkintime.co.in. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Entitlement Letter and Application Form shall be sent/ dispatched to the non-resident Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. Investors can access this Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchanges. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, *i.e.,* from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Please note that pursuant to Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies ("**OCBs**") have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of the RBI and to obtain prior approval from RBI for applying in this Issue.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. at til.rights@linkintime.co.in

PROCEDURE FOR APPLICATION

How to Apply

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, please see "*Application by Eligible Equity Shareholders holding Equity Shares in physical form*" on page 301.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see "*Application on Plain Paper under ASBA process"* beginning on page 299.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions *etc.* in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Application Form

The Application Form for the Rights Equity Shares offered as part of this Issue would be sent (i) only to e-mail addresses of resident Eligible Equity Shareholders who have provided their e-mail addresses; (ii) only to the Indian addresses of the resident Eligible Equity Shareholders, on a reasonable effort basis, whose e-mail addresses are not available with our Company or the Eligible Equity Shareholders have not provided the valid email address to our Company; (iii) only to the Indian addresses of the non-resident Eligible Equity Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and (iv) to the e-mail addresses of foreign corporate or institutional shareholders. The Application Form along with the Abridged Letter of Offer and the Rights Entitlements Letter shall be sent through e-mail or physical delivery, as applicable, at least three days before the Issue Opening Date.

Please note that neither our Company nor the Registrar shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter or the Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Entitlement Letters are delayed or misplaced in the transit or there is a delay in physical delivery (where applicable).

To update the respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit www.linkintime.co.in. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of:

(i) our Company at www.tilindia.in;
(ii) the Registrar at www.linkintime.co.in;
(iii) the Stock Exchanges at www.bseindia.com; and www.nseindia.com

The Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.linkintime.co.in) by entering their DP ID and Client ID or Folio Number (in case of resident Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.tilindia.in).

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable.

In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Equity Shares by (i) submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. **Please note that Applications made with payment using third party bank accounts are liable to be rejected**

Investors are also advised to ensure that the Application Form is correctly filled up stating therein, (i) the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Please note that Applications without depository account details shall be treated as incomplete and shall be rejected.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN could lead to rejection of the Application. For details, please see "*Grounds for Technical Rejection*" on page 305. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. **Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements**. For details, see "*Application on Plain Paper under ASBA process*" on page 299.

Options available to the Eligible Equity Shareholders

The Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

(i) apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
(ii) apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
(iii) apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
(iv) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Rights Equity Shares; or
(v) renounce its Rights Entitlements in full.

PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS

An investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorisation to the SCSB, *via* the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

Self-Certified Syndicate Banks

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

The Company, its directors, employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions, and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Acceptance of this Issue

Investors may accept this Issue and apply for the Rights Equity Shares by (i) submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts

Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the heading "*Application on Plain Paper under ASBA process*" on page 299.

Additional Rights Equity Shares

Investors are eligible to apply for additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner prescribed under the heading "*Basis of Allotment*" on page 309**.**

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Rights Equity Shares.

Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for additional Rights Equity Shares.

Pursuant to the SEBI Rights Issue Circulars, resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Equity Shares while submitting the Application through ASBA process.

Procedure for Renunciation of Rights Entitlements

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges; or (b) through an off-market transfer, during the Renunciation Period. The Investors should have the Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements. The Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

PLEASE NOTE THAT THE RIGHTS ENTITLEMENTS WHICH ARE NEITHER RENOUNCED NOR SUBSCRIBED BY THE INVESTORS ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE.

THE REGISTRAR AND OUR COMPANY ACCEPT NO RESPONSIBILITY TO BEAR OR PAY ANY COST, APPLICABLE TAXES, CHARGES AND EXPENSES (INCLUDING BROKERAGE), AND SUCH COSTS WILL BE INCURRED SOLELY BY THE INVESTORS

(a) On Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under the ISIN that shall be allotted for the Rights Entitlement subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights

Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, *i.e.*, from April 26, 2024 to May 6, 2024 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN (for Rights Entitlement) that shall be allotted for the Rights Entitlement and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of the Stock Exchange under automatic order matching mechanism and on 'T+1 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

(b) Off Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN (for Rights Entitlement) that shall be allotted for the Rights Entitlement, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

Application on Plain Paper under ASBA process

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper, in case of non-receipt of Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB.

Applications on plain paper will not be accepted from any address outside India.

Alternatively, Eligible Equity Shareholders may also use the Application Form available online on the websites of our Company, the Registrar to the Issue, the Stock Exchanges to provide requisite details.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being TIL Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Registered Folio Number/DP and Client ID No.;
4. Number of Equity Shares held as on Record Date;
5. Allotment option – only dematerialised form;
6. Number of Rights Equity Shares entitled to;
7. Number of Rights Equity Shares applied for within the Rights Entitlements;
8. Number of additional Rights Equity Shares applied for, if any;
9. Total number of Rights Equity Shares applied for;
10. Total application amount paid at the rate of ₹ 10 per Rights Equity Share;
11. Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
12. In case of NR Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address and branch of the SCSB with which the account is maintained;
13. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
16. Additionally, all such Applicants are deemed to have accepted the following:

*"I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the "**US Securities Act**") or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the "**United States**") except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand that this application should not be forwarded to or transmitted in or to the United States at any time. I/ we understand that none of the Company, the Registrar, the Advisor to the Issue or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, the Advisor to the Issue or any other person acting on behalf of the Company has reason to believe is in the United States, or if such person is outside India and the United States, such person is not a corporate shareholder, or is ineligible to participate in the Issue under the securities laws of their jurisdiction.*

I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

*I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S under the US Securities Act ("**Regulation S**"), or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.*

I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States, and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/ We acknowledge that the Company, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.linkintime.co.in.

Our Company and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

Mode of payment

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their Application at the time of the submission of the Application Form.

The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

APPLICATION BY ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

To update respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit www.linkintime.co.in

Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar not later than two Working Days prior to the Issue Closing Date;

b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;

c) The Eligible Equity Shareholders can access the Application Form from:

   i. Our Company at www.tilindia.in;
   ii. the Registrar at www.linkintime.co.in; and
   iii. the Stock Exchanges at www.bseindia.com and www.nseindia.com.

   Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., at www.linkintime.co.in) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.tilindia.in);

d) The Eligible Equity Shareholders shall, on or before the Issue Closing Date, (i) submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. .

PLEASE NOTE THAT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE OR THE RIGHTS ENTITLEMENTS ARE HELD BY SUCH INVESTOR ON THE ISSUE CLOSING DATE, AS THE CASE MAY BE.

FOR DETAILS, PLEASE SEE "ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS" ON PAGE 310.

General instructions for Investors

(a) Please read the Letter of Offer carefully to understand the Application process and applicable settlement process.

(b) Please read the instructions on the Application Form sent to you.

(c) The Application Form can be used by both the Eligible Equity Shareholders and the Renouncees.

(d) Application should be made only through the ASBA facility.

(e) Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.

(f) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section "*Application on Plain Paper under ASBA process*" on page 299.

(g) In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA

(h) An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.

(i) Applications should be (i) submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges, will be available until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

(j) Applications should not be submitted to the Bankers to the Issue (assuming that such Banker(s) to the Issue is not an SCSB), our Company or the Registrar.

(k) In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form.

(l) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, **Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors**.

(m) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon.

(n) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.

(o) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.

(p) All communication in connection with Application for the Rights Equity Shares, including any change in contact details address of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Application Form number, as applicable. In case of any change in address of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.

(q) Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

(r) In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications.

(s) Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.

(t) An Applicant being an OCB is required not to be under the adverse notice of the RBI and must submit approval from RBI for applying in this Issue.

Do's:

(a) Ensure that the Application Form and necessary details are filled in.

(b) Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act.

(c) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("**Demographic Details**") are updated, true and correct, in all respects.

(d) Investors should provide correct DP ID and client ID/ folio number while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.

(e) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.

(f) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.

(g) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.

(h) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.

(i) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.

(j) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.

(k) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Entitlement Letter.

Don'ts:

(a) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.

(b) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.

(c) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.

(d) Do not pay the Application Money in cash, by money order, pay order or postal order.

(e) Do not submit multiple Applications.

(f) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or *vice versa*.

(g) Do not send your physical Application to the Registrar, the Banker(s) to the Issue (assuming that such Banker(s) to the Issue is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.

(h) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process.

Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

(a) DP ID and Client ID mentioned in Application not matching with the DP ID and Client ID records available with the Registrar.

(b) Sending an Application to the Registrar, Banker(s) to the Issue (assuming that such Banker(s) to the Issue is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company.

(c) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.

(d) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.

(e) Account holder not signing the Application or declaration mentioned therein.

(f) Submission of more than one Application Forms for Rights Entitlements available in a particular demat account.

(g) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.

(h) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).

(i) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories.

(j) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.

(k) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and the Letter of Offer.

(l) Physical Application Forms not duly signed by the sole or joint Investors.

(m) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.

(n) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.

(o) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is not in the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws or; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

(p) Applications which have evidence of being executed or made in contravention of applicable securities laws.

(q) Application from Investors that are residing outside India as per the depository records.

(r) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.

Our Company may, in consideration with the Designated Stock Exchange, decide to relax any of the grounds of technical rejection mentioned hereinabove.

Depository account and bank details for Investors holding Equity Shares in demat accounts and applying in this Issue

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR AS ON THE RECORD DATE OR THE RIGHTS ENTITLEMENTS ARE HELD BY THE INVESTOR AS ON THE ISSUE CLOSING DATE, AS THE CASE MAY BE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSTORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar or the Company. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. By signing the Application Forms, the Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

The Allotment advice and the intimation of unblocking of ASBA Account or refund (if any) would be sent/ dispatched to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs or Registrar shall be liable to compensate the Investor for any losses caused due to any such

delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

Modes of Payment

All payments against the Application Forms shall be made only through ASBA facility or internet banking. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Investors

As regards the Application by non-resident Investors, the following conditions shall apply:

1. NR Applicants who are permitted to subscribe to Rights Equity Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar and our Company.

   Note: In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer, the Entitlements Letter and the Application Form shall be sent to their e-mail addresses or their Indian address, as applicable, if they have provided their Indian address to our Company. The Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and in each case who make a request in this regard. In the event that the e-mail addresses of the Eligible Equity Shareholders are not available with the Company or the Eligible Equity Shareholders have not provided the valid e-mail address to the Company, our Company will make reasonable efforts to dispatch the Letter of Offer, Abridged Letter of Offer, Application Form and Entitlements Letter by way of physical delivery as per the applicable laws to those Eligible Equity Shareholders who have provided their Indian address.

2. Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.

3. Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI.

Notes:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act.

2. In case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.

3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.

4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.

5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.

6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Rights Equity Shares.

Multiple Applications

In case where multiple Applications are made in respect of the same Rights Entitlements using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. For details, please see "*Procedure for Applications by Mutual Funds*" below. Cases where Investor submits Application Forms along with plain paper or multiple plain paper Applications shall be treated as multiple Applications.

In cases where multiple Application Forms are submitted, such Applications shall be treated as multiple applications and are liable to be rejected other than multiple applications submitted by any of our Promoters or members of Promoter Group for subscribing any unsubscribed portion of this Issue as described in "*Capital Structure –Intention and extent of participation by our Promoters and Promoter Group*" on page 42.

Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is May 10, 2024, *i.e.*, Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Rights Equity Shares hereby offered, as provided under the heading, "*Basis of Allotment*" on page 309.

Please note that on the Issue Closing Date, (i) the Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. **However, the Application, whether made through ASBA Process cannot be withdrawn after the Issue Closing Date**.

Issue Schedule

Issue Opening Date	Friday, April 26, 2024
Last date for On Market Renunciation*	Monday, May 6, 2024
Issue Closing Date#	Friday, May 10, 2024
Finalisation of Basis of Allotment (on or about)	Friday, May 17, 2024
Date of Allotment (on or about)	Monday, May 20, 2024
Initiation of refunds	Monday, May 20, 2024
Date of Credit (on or about)	Wednesday, May 22, 2024
Date of Listing (on or about)	Friday, May 24, 2024

**Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.*

Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, *i.e.*, May 8, 2024 to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date.

Our Board or a duly authorised committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date).

Basis of Allotment

Subject to the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Equity Shares in the following order of priority:

(a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.

(b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.

(c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for additional Rights Equity Shares. The Allotment of such additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

(d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

(e) Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

i. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
ii. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
iii. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Allotment Advice or Refund/ Unblocking of ASBA Accounts

Our Company will email Allotment advice, refund intimations or demat credit of securities and/or letters of regret, along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company requisite interest as specified under applicable law from the expiry of such 4 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through email, to the email address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is Allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

Payment of Refund

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

(a) Unblocking amounts blocked using ASBA facility.

(b) **NACH** – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

(c) **National Electronic Fund Transfer** ("**NEFT**") – Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code ("**IFSC Code**"), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

(d) **Direct Credit** – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.

(e) **RTGS** – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.

(f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.

(g) Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

Allotment Advice or Demat Credit of Securities

The demat credit of securities to the respective beneficiary accounts or the demat suspense account (pending receipt of demat account details for Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, *etc*.) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Receipt of the Rights Equity Shares in Dematerialized Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE OR THE RIGHTS ENTITLEMENTS ARE HELD BY SUCH INVESTOR ON THE ISSUE CLOSING DATE, AS THE CASE MAY BE OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/FAILED.

Investors shall be allotted the Rights Equity Shares in dematerialized (electronic) form only. Our Company has signed an agreement dated October 12, 2017 with NSDL and an agreement dated October 11, 2017 with CDSL which enables the Investors to hold and trade in the securities issued by our Company in a dematerialised form, instead of holding the Equity Shares in the form of physical certificates.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.

2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.

3. The responsibility for correctness of information filled in the Application Form *vis-a-vis* such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.

4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.

5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (with IEPF authority/ in suspense, *etc*.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.

6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.

7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

PROCEDURE FOR APPLICATIONS BY CERTAIN CATEGORIES OF INVESTORS

Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates (*i.e.*, 100%).

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iii) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

i. such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
ii. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

Procedure for Applications by AIFs, FVCIs and VCFs

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue.

Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India ("**OCI**") may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, *inter alia*, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporated in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Procedure for Applications by Systemically Important Non-Banking Financial Companies ("NBFC-SI")

In case of an application made by NBFC-SI registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45IA of the RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹10 Lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹10 Lakhs or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50 Lakhs or with both.

Payment by stockinvest

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stockinvest scheme has been withdrawn. Hence, payment through stockinvest would not be accepted in this Issue.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form would generate an electronic acknowledgment to the Eligible Equity Shareholders upon submission of the Application.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA or refunded to the Investors in the same bank account through which Application Money was received. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

Utilisation of Issue Proceeds

Our Board declares that:

1. All monies received out of this Issue shall be transferred to a separate bank account;

2. Details of all monies utilized out of this Issue referred to under (1) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

3. Details of all unutilized monies out of this Issue referred to under (1) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

Undertakings by our Company

Our Company undertakes the following:

1. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;

2. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken by our Board within seven Working Days of finalization of Basis of Allotment;

3. The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company;

4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the

Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund;

5. In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants;

6. Adequate arrangements shall be made to collect all ASBA Applications;

7. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

Important

1. Please read the Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Entitlement Letter are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.

2. All enquiries in connection with the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed "**TIL Limited - Rights Issue**" on the envelope and postmarked in India or in the email) to the Registrar at the following address:

   Link Intime India Private Limited
   C 101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg
   Vikhroli (West), Mumbai – 400083, Maharashtra, India.
   Telephone: +91 81081 14949
   E-mail: til.rights@linkintime.co.in
   Investor grievance E-mail: til.rights@linkintime.co.in
   Website: www.linkintime.co.in
   Contact Person: Ms. Shanti Gopalkrishnan
   SEBI Registration No.: INR000004058

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar (*i.e.*at www.linkintime.co.in). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties are 022 - 4918 6200.

This Issue will remain open for a minimum 7 days. However, our Board or a duly authorised committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

Restrictions on Foreign Ownership of Indian Securities

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India ("**DPIIT")** makes policy announcements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA. The DPIIT also issues the Consolidated Foreign Direct Investment Policy ("**FDI Policy**") from time to time. The regulatory framework pertaining to foreign investment, over a period of time, thus, consists of acts, regulations, master circulars, press notes, press releases, and clarifications among other amendments.

India's current FDI Policy issued by the DPIIT with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT till October 15, 2020. In terms of the FDI Policy, Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI

Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the nonresident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI. As per Regulation 7 of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the RBI has given general permission to Indian companies to issue securities on rights basis to non-resident shareholders including additional securities under the rights issue. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018, as amended, issued by the RBI, non-residents may, inter alia, (i) subscribe for additional securities over and above their rights entitlement; (ii) renounce the securities offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the securities renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be inter alia, subject to the conditions imposed from time to time by the RBI under the FEMA in the matter of refund of Application Money, Allotment of Rights Equity Shares and issue of Allotment advice. If an NR or NRI Investor has specific approval from the RBI, in connection with their shareholding, they should enclose a copy of such approval with the Application. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the allotment of Rights Equity Shares.

The Rights Equity Shares purchased by non- residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis. The above information is given for the benefit of the Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION VIII – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years prior to the date of this Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of these contracts and also the documents for inspection would be available at the registered office of the Company between 10 a.m and 5 p.m on all working days.in from the date of this Letter of Offer until the Issue Closing Date.

A. Material Contracts for the Issue

1. Registrar Agreement dated March 6, 2024 between our Company and the Registrar to the Issue.

2. Banker to the Issue Agreement dated April 15, 2024 amongst our Company, the Lead Manager, the Registrar to the Issue and the Banker to the Issue.

B. Material Documents in Relation to the Issue

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company.

2. Fresh certificate of incorporation dated October 4, 1985.

3. Copy of Audited Financial Statements for the Fiscals 2023, 2022 and 2021

4. Copies of annual report of our Company for Fiscals 2023, 2022 and 2021.

5. Resolution of our Board dated February 14, 2024 approving the Issue.

6. Resolution of our Board dated March 18, 2024 finalizing the terms of the Issue including the Rights Entitlement Ratio.

7. Resolution of our Rights Issue Committee dated March 22, 2024 finalizing the Record Date.

8. Consents of our Directors, Company Secretary and Compliance Officer, Deputy Chief Financial Officer, Statutory Auditor, Advisor to the Issue, Banker to the Company, Banker to the Issue, Legal Advisor to the Issue and the Registrar to the Issue for inclusion of their names in this Letter of Offer to act in their respective capacities.

9. The audit reports dated May 26, 2023 and September 19, 2022 and limited review report dated February 14, 2024, of the Statutory Auditors along with the Audited Financial Statements for the years ended March 31, 2023 and March 31, 2022 and Unaudited Financial Statements for the quarter ended December 31, 2023 included in this Letter of Offer.

10. The audit report dated May 31, 2021 of Deloitte Haskins & Sells, Chartered Accountants, along with the audited financial statements for the year ended March 31, 2021, included in this Letter of Offer.

11. Statement of Special Tax Benefits dated April 15, 2024 from M/s SPS Associates, Chartered Accountants.

12. Tripartite Agreement dated May 31, 2003 between our Company, NSDL and C B Management Services Private Limited.

13. Tripartite Agreement dated April 10, 2003 between our Company, CDSL and C B Management Services Private Limited.

14. In-principle approval issued by the BSE dated March 14, 2024 and the NSE dated March 13, 2024.

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without notice to the Eligible Equity Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. We further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

We further certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sd/- ____________________ **Sunil Kumar Chaturvedi** **Chairman & Managing Director**	**Sd/-** ____________________ **Saroj Punhani** **Independent Director**
Sd/- ____________________ **Lt. General N B Singh (Retd.)** **Independent Director**	**Sd/-** ____________________ **Amit Mukherjee** **Independent Director**
Sd/- ____________________ **Alok Kumar Tripathi** **President & Director**	**Sd/-** ____________________ **Ayan Banerjee** **Director - Finance**

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY	**SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY**
Sd/- ____________________ **Kanhaiya Gupta** **(Chief Financial Officer)**	**Sd/-** ____________________ **Sekhar Bhattacharjee** **(Company Secretary & Compliance Officer)**

Date: April 15, 2024

Place: Kolkata

SEKHAR BHATTA CHARJEE
Digitally signed by SEKHAR BHATTACHARJEE
Date: 2024.04.16 16:50:25 +05'30'