

# ALOK INDUSTRIES LIMITED

Peninsula Business Park, Tower B, 2nd & 3rd Floor, Ganpatrao Kadam Marg, Lower Parel,  
Mumbai - 400 013. Tel.: 91 22 6178 7000 Fax : 91 22 6178 7118



January 18, 2021

BSE Limited. Listing Department, P.J. Towers, Dalal Street, Mumbai - 400 001 Fax No.: 2272 2037 / 2272 2039 Scrip Code.521070	National Stock Exchange of India Ltd, Exchange Plaza, 5th Floor, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai-400 051 Fax No.: 2659 8237 / 2659 8238 Symbol. ALOKINDS
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Dear Sirs,

**Sub: Consolidated and Standalone Unaudited Financial Results for the quarter/ nine months ended December 31, 2020.**

In continuation of our letter dated January 11, 2021 and pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the Unaudited Financial Results (Consolidated and Standalone) for the quarter/ nine months ended December 31, 2020, duly reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company, at their respective meetings held today. The meeting of the Board of Directors commenced at 5.30 pm and concluded at 6.55 pm.

We also enclose herewith a copy of the Limited Review Report of the Statutory Auditors of the Company on the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter/ nine months ended December 31, 2020, as required under Regulation 33 of the Listing Regulations.

Thanking you,

Yours faithfully,  
**For Alok Industries Limited**

**Sunil Khandelwal**  
Manager

Encl: as above

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

**Review Report to  
The Board of Directors  
Alok Industries Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Alok Industries Limited (the "Company") for the quarter ended December 31, 2020 and year to date from April 1, 2020 to December 31, 2020 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (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 of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. As given in Note 5 of the Statement, in view of a material uncertainty on going concern of the wholly owned subsidiary, Alok Infrastructure Limited, an impairment assessment of loans given to such subsidiary aggregating to Rs. 1,372.99 crores as at December 31, 2020, was required under Ind AS 36, but has not been performed by the management. Accordingly, we are unable to determine the adequacy of provision for the loans given to Alok Infrastructure Limited as at December 31, 2020. The predecessor auditor's reports for the quarter and period ended December 30, 2019 and year ended March 31, 2020 were also qualified in respect of this matter.
5. Based on our review conducted as above, except for the possible effects of our observations in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note 7 of the Statement in respect of resolution plan approved by the National Company Law Tribunal vide its order dated March 8, 2019 under section 31(1) of the Insolvency and Bankruptcy Code, 2016. The Company has accounted the assigned debt as per the aforesaid resolution plan at cost, overriding the Indian Accounting Standards which would require the Company to recognise the assigned debt at its fair value and accordingly recognized the imputed interest cost over the period of loan. Our conclusion is not modified in respect of this matter.



# **S R B C & C O L L P**

Chartered Accountants

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

7. The comparative Ind AS financial information of the Company for the corresponding quarter and period ended December 31, 2019, included in these standalone Ind AS financial results, were reviewed by the predecessor auditors and the Ind AS financial statements of the Company for the year ended March 31, 2020, were audited by predecessor auditors who expressed a modified conclusion/opinion on those financial information/financial statements on February 14, 2020 and July 31, 2020 respectively.

For S R B C & C O L L P  
Chartered Accountants  
ICAI Firm registration number: 324982E/E300003



per Pramod Kumar Bapna  
Partner  
Membership No.: 105497



UDIN: 21105497AAAAAC9000

Place: Mumbai  
Date : 18 January 2021

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

**Review Report to  
The Board of Directors  
Alok Industries Limited**

1. We have reviewed the accompanying Statement of unaudited Consolidated Financial Results of Alok Industries Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its joint ventures for the quarter ended December 31, 2020 and year to date from April 1, 2020 to December 31, 2020 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (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 of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 (the "Circular") issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities as mentioned in Annexure-1.
5. As mentioned in Note 5 of the Statement, in view of a material uncertainty on going concern of the wholly owned subsidiary, Alok Infrastructure Limited, an impairment of the assets of such subsidiary was required under Ind AS 36, but has not been performed by the management of the Group. Accordingly, the impact of impairment on the assets of Rs. 939.89 crores of Alok Infrastructure Limited, if any, on the Statement is not ascertainable. The predecessor auditor's reports for the quarter and period ended December 30, 2019 and year ended March 31, 2020 were also qualified in respect of this matter.
6. The accompanying Statement includes unaudited interim financial results and other financial information in respect of:
  - 7 subsidiaries, whose interim financial results reflect Group's share of total revenues of Rs 38.53 crores and Rs 94.46 crores, Group's share of total net loss after tax of Rs. 1.40 crores and Rs. 18.00 crores, Group's share of total comprehensive loss of Rs. 1.40 crores and Rs. 18.00 crores, for the quarter ended December 31, 2020 and for the period from April 1, 2020 to December 31, 2020 respectively; and
  - 2 joint ventures, whose interim financial results includes the Group's share of net loss of Rs. 0.26 crore and Rs 0.77 crore and Group's share of total comprehensive loss of Rs. 0.26 crore and Rs. 0.77 crore for the quarter ended December 31, 2020 and for the period from April 1, 2020 to December 31, 2020 respectively.

The unaudited interim financial results of these subsidiaries and joint ventures have not been reviewed and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries and joint ventures, is based solely on such unaudited interim financial results and other unaudited financial information.



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

7. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 9 below, except for the possible effects of our observation in paragraphs 5 and 6 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standard specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
8. We draw attention to:-
- a) Note 5 of the Statement, which indicates that Alok Infrastructure Limited incurred a net loss of Rs 4.46 crores and Rs 12.75 crores for the quarter and period ended December 31, 2020, respectively, and as of that date, has accumulated losses of Rs 1,022.76 crores. As stated in Note 5 of the statement, these events or conditions, along with other matters as set forth in Note 5 of the Statement, indicate material uncertainty exist that may cast significant doubt on its ability to continue as a going concern. Our conclusion is not qualified in respect of this matter.
- b) Note 7 of the Statements in respect of resolution plan approved by the National Company Law Tribunal vide its order dated March 9, 2019 under section 31(1) of the Insolvency and Bankruptcy Code, 2016. The Holding Company has accounted the assigned debt as per the aforesaid resolution plan at cost, overriding the Indian Accounting Standards which would require the Holding Company to recognise the assigned debt at its fair value and accordingly recognized the imputed interest cost over the period of loan. Our conclusion is not modified in respect of this matter.
9. The accompanying Statement includes the unaudited interim financial results and other financial information in respect of a subsidiary, whose unaudited interim financial results include total revenues of Rs 0.02 crore and Rs 0.03 crore, total net loss after tax of Rs. 4.46 crores and Rs. 12.75 crores, total comprehensive loss of Rs. 4.46 crores and Rs. 12.75 crores, for the quarter ended December 31, 2020 and for the period from April 1, 2020 to December 31, 2020 respectively, as considered in the Statement which has been reviewed by its independent auditors.
- The independent auditor's reports on interim financial results of the said subsidiary has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of the subsidiary, is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.
10. The comparative Ind AS financial information of the Group and its joint ventures for the corresponding quarter and period ended December 31, 2019, included in these consolidated Ind AS financial results, were reviewed by the predecessor auditors and the Ind AS consolidated financial statements of the Group and its joint ventures for the year ended March 31, 2020, were audited by predecessor auditors who expressed a modified conclusion/opinion on those consolidated financial information/financial statements on February 14, 2020 and July 31, 2020, respectively.

For SRBC & CO LLP  
Chartered Accountants  
ICAI Firm registration number: 324982E/E300003



per Pramod Kumar Bapna  
Partner  
Membership No.: 105497



UDIN: 21105497AAAAAB8053

Place: Mumbai  
Date : 18 January, 2021

# SRBC & CO LLP

Chartered Accountants

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

## Annexure-1

List of entities:

### Subsidiaries-

Sr. No	Particulars
1	Alok Infrastructure Limited
2	Alok Singapore Pte Limited
3	Alok International (Middle East) FZE
4	Mileta, a.s.
5	Alok Industries International Limited
6	Grabal Alok International Limited
7	Alok Worldwide Limited
8	Alok International Inc.

### Joint ventures-

Sr. No	Particulars
1	New City of Bombay Manufacturing Mills Limited
2	Aurangabad Textile and Apparel Parks Limited



Statement of Unaudited Standalone Financial Results for the Quarter and Nine months Ended 31st December 2020

Rs in Crore (except EPS)

Sr No	Particulars	Standalone					
		Quarter ended			Nine months Ended		Year Ended
		31.12.2020 (Unaudited)	30.09.2020 (Unaudited)	31.12.2019 (Unaudited)	31.12.2020 (Unaudited)	31.12.2019 (Unaudited)	31.03.2020 (Audited)
<b>1</b>	<b>Income</b>						
	a) Revenue from Operations	1,174.65	787.84	824.87	2,307.96	2,453.31	3,166.34
	b) Other Income	6.82	2.00	2.63	12.98	69.00	85.19
	<b>Total Income</b>	<b>1,181.47</b>	<b>789.84</b>	<b>827.50</b>	<b>2,320.94</b>	<b>2,522.31</b>	<b>3,251.53</b>
<b>2</b>	<b>Expenses</b>						
	a) Cost of materials consumed	677.97	503.90	517.55	1,337.43	1,597.63	2,086.90
	b) Changes in inventories of finished goods and work-in-progress	(26.11)	(78.27)	23.64	(149.81)	(18.79)	(12.82)
	c) Employee benefits expense	85.56	65.29	65.79	213.65	189.66	256.99
	d) Finance costs	122.50	126.43	17.71	364.68	42.56	98.57
	e) Depreciation and amortisation expense	52.99	54.07	136.42	239.07	411.73	529.45
	f) Power & Fuel	146.53	131.55	125.95	342.60	373.15	496.50
	g) Diminution in value of investment	-	-	-	92.38	-	-
	h) Provision for doubtful debts, advances, loans & other receivables	-	346.79	-	608.38	-	182.33
	i) Other expenses	150.78	110.69	129.90	346.51	335.93	443.69
	<b>Total expenses</b>	<b>1,210.22</b>	<b>1,260.45</b>	<b>1,016.96</b>	<b>3,394.89</b>	<b>2,931.87</b>	<b>4,081.61</b>
<b>3</b>	<b>Loss from operations before exceptional items and tax (1-2)</b>	<b>(28.75)</b>	<b>(470.61)</b>	<b>(189.46)</b>	<b>(1,073.95)</b>	<b>(409.56)</b>	<b>(830.08)</b>
<b>4</b>	Exceptional Items	-	5,023.12	-	(3,239.76)	-	2,052.55
<b>5</b>	<b>Profit / (Loss) before tax (3 - 4)</b>	<b>(28.75)</b>	<b>4,552.51</b>	<b>(189.46)</b>	<b>(4,313.71)</b>	<b>(409.56)</b>	<b>1,222.47</b>
<b>6</b>	Tax expense						
	(i) Current Tax	-	-	-	-	-	-
	(ii) Deferred Tax	-	67.78	-	1,423.11	-	(0.73)
	(iii) Provision for tax in respect of earlier years	-	41.80	-	41.80	-	-
	<b>Total Tax expense</b>	<b>-</b>	<b>109.58</b>	<b>-</b>	<b>1,464.91</b>	<b>-</b>	<b>(0.73)</b>
<b>7</b>	<b>Net Profit / (Loss) for the period (5-6)</b>	<b>(28.75)</b>	<b>4,442.93</b>	<b>(189.46)</b>	<b>(5,778.62)</b>	<b>(409.56)</b>	<b>1,223.20</b>
<b>8</b>	<b>Other comprehensive income</b>						
	(i) Items that will not be subsequently reclassified to profit or loss						
	(a) Remeasurements gains/(losses) on defined benefit plans	2.11	-	-	2.11	-	2.10
	(b) Income tax on (a) above	-	-	-	-	-	(0.73)
	(ii) (a) Items that will be subsequently reclassified to profit or loss	-	-	-	-	-	-
	(b) Income tax on (a) above	-	-	-	-	-	-
	<b>Total Other comprehensive income</b>	<b>2.11</b>	<b>-</b>	<b>-</b>	<b>2.11</b>	<b>-</b>	<b>1.37</b>
<b>9</b>	<b>Total comprehensive income (7+8)</b>	<b>(26.64)</b>	<b>4,442.93</b>	<b>(189.46)</b>	<b>(5,776.51)</b>	<b>(409.56)</b>	<b>1,224.57</b>
<b>10</b>	Paid up Equity Share Capital	496.54	496.54	1,368.64	496.54	1,368.64	221.08
<b>11</b>	Other Equity (excluding Revaluation Reserve)						(10,909.76)
<b>12</b>	Earnings per share (EPS) after exceptional items (of Re.1/- each) (Not annualised for interim period) :						
	Basic (Rs.)	(0.06)	15.81	(1.38)	(17.34)	(2.99)	8.45
	Diluted (Rs.)	(0.06)	8.39	(1.38)	(17.34)	(2.99)	3.10
	Earnings per share (EPS) before exceptional items (of Re.1/- each) (Not annualised for interim period) :						
	Basic (Rs.)	(0.06)	(2.07)	(1.38)	(7.62)	(2.99)	(5.73)
	Diluted (Rs.)	(0.06)	(2.07)	(1.38)	(7.62)	(2.99)	(5.73)



## Statement of Unaudited Consolidated Financial Results for the Quarter and Nine months Ended 31st December 2020

Rs in Crore (except EPS)

Sr No	Particulars	Consolidated					
		Quarter ended			Nine months Ended		Year Ended
		31.12.2020 (Unaudited)	30.09.2020 (Unaudited)	31.12.2019 (Unaudited)	31.12.2020 (Unaudited)	31.12.2019 (Unaudited)	31.03.2020 (Audited)
<b>1</b>	<b>Income</b>						
	a) Revenue from Operations	1,213.20	820.08	873.33	2,402.45	2,580.68	3,328.78
	b) Other Income	7.51	2.63	3.90	14.78	22.29	39.06
	<b>Total Income</b>	<b>1,220.71</b>	<b>822.71</b>	<b>877.23</b>	<b>2,417.23</b>	<b>2,602.97</b>	<b>3,367.84</b>
<b>2</b>	<b>Expenses</b>						
	a) Cost of materials consumed	693.08	513.19	537.82	1,370.19	1,643.58	2,143.06
	b) Purchase of Stock in Trade	2.01	3.04	3.39	5.46	7.11	9.17
	c) Changes in inventories of finished goods and work-in-progress	(25.36)	(74.10)	23.94	(147.14)	(13.16)	(7.46)
	d) Employee benefits expense	99.73	77.99	79.85	251.75	228.30	306.53
	e) Finance costs	126.78	130.50	21.87	376.95	54.71	113.63
	f) Depreciation and amortisation expense	55.44	56.03	139.39	245.78	421.26	541.84
	g) Power & Fuel	149.98	132.85	129.13	349.16	381.54	507.52
	h) Diminution in value of investment	-	1.64	-	94.02	-	-
	i) Provision for doubtful debts, advances, loans & other receivables	-	66.23	-	70.73	-	-
	j) Other expenses	153.91	119.53	136.09	357.65	359.49	497.19
	<b>Total expenses</b>	<b>1,255.57</b>	<b>1,026.90</b>	<b>1,071.48</b>	<b>2,974.56</b>	<b>3,082.83</b>	<b>4,111.48</b>
<b>3</b>	<b>Loss from operations before Share of profit/(loss) of Joint Ventures,</b>	<b>(34.86)</b>	<b>(204.19)</b>	<b>(194.25)</b>	<b>(557.33)</b>	<b>(479.86)</b>	<b>(743.64)</b>
<b>4</b>	<b>Share of profit/(loss) from joint ventures</b>	<b>(0.26)</b>	<b>(0.25)</b>	<b>(0.24)</b>	<b>(0.77)</b>	<b>(0.77)</b>	<b>(0.99)</b>
<b>5</b>	<b>Loss before exceptional items and tax (3 - 4)</b>	<b>(35.12)</b>	<b>(204.44)</b>	<b>(194.49)</b>	<b>(558.10)</b>	<b>(480.63)</b>	<b>(744.63)</b>
<b>6</b>	<b>Exceptional Items</b>	<b>-</b>	<b>5,023.12</b>	<b>-</b>	<b>(3,239.76)</b>	<b>-</b>	<b>2,052.55</b>
<b>7</b>	<b>Profit / (Loss) before tax (5 - 6)</b>	<b>(35.12)</b>	<b>4,818.68</b>	<b>(194.49)</b>	<b>(3,797.85)</b>	<b>(480.63)</b>	<b>1,307.92</b>
<b>8</b>	<b>Tax expense</b>						
	(i) Current Tax	-	-	-	-	-	-
	(ii) Deferred Tax	-	(21.76)	-	1,333.56	-	(2.31)
	(iii) Provision for tax in respect of earlier years	-	41.80	-	41.80	-	-
	<b>Total Tax expense</b>	<b>-</b>	<b>20.04</b>	<b>-</b>	<b>1,375.36</b>	<b>-</b>	<b>(2.31)</b>
<b>9</b>	<b>Net Profit / (Loss) for the period (7-8)</b>	<b>(35.12)</b>	<b>4,798.64</b>	<b>(194.49)</b>	<b>(5,173.21)</b>	<b>(480.63)</b>	<b>1,310.23</b>
<b>10</b>	<b>Other comprehensive income</b>						
	(i) Items that will not be subsequently reclassified to profit or loss						
	(a) Remeasurements gains/(losses) on defined benefit plans	2.11	-	-	2.11	-	2.10
	(b) Income tax on (a) above	-	-	-	-	-	(0.73)
	(ii) (a) Items that will be subsequently reclassified to profit or loss	21.34	38.19	(28.40)	54.20	(117.09)	(298.04)
	(b) Income tax on (a) above	-	-	9.83	-	40.52	-
	<b>Total Other comprehensive income</b>	<b>23.45</b>	<b>38.19</b>	<b>(18.57)</b>	<b>56.31</b>	<b>(76.57)</b>	<b>(296.67)</b>
<b>11</b>	<b>Total comprehensive income (9+10)</b>	<b>(11.67)</b>	<b>4,836.83</b>	<b>(213.06)</b>	<b>(5,116.90)</b>	<b>(557.20)</b>	<b>1,013.56</b>
<b>12</b>	<b>Paid up Equity Share Capital</b>	<b>496.54</b>	<b>496.54</b>	<b>1,368.64</b>	<b>496.54</b>	<b>1,368.64</b>	<b>221.08</b>
<b>13</b>	<b>Other Equity (excluding Revaluation Reserve)</b>						<b>(12,529.00)</b>
<b>14</b>	<b>Earnings per share (EPS) after exceptional items (of Re.1/- each)</b>						
	(Not annualised for interim period) :						
	Basic (Rs.)	(0.07)	17.08	(1.42)	(15.52)	(3.53)	9.05
	Diluted (Rs.)	(0.07)	9.06	(1.42)	(15.52)	(3.53)	3.32
	Earnings per share (EPS) before exceptional items (of Re.1/- each)						
	(Not annualised for interim period) :						
	Basic (Rs.)	(0.07)	(0.80)	(1.42)	(5.80)	(3.53)	(3.38)
	Diluted (Rs.)	(0.07)	(0.80)	(1.42)	(5.80)	(3.53)	(3.38)



**Notes :**

- 1 The above financial results for the quarter and nine months period ended December 31, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 18th January, 2021 and have been subjected to limited review by the statutory auditors.
- 2 Pursuant to an application made by State Bank of India, the Hon'ble National Company Law Tribunal, Ahmedabad bench ("Adjudicating Authority"), vide its order dated 18th July, 2017, had ordered the commencement of the corporate insolvency resolution ("CIR") process in respect of the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (the "Code"). Pursuant to its order dated 8th March, 2019 ("NCLT Order"), the Adjudicating Authority approved the resolution plan submitted by the Resolution Applicants for the Company under Section 31 of the Insolvency and Bankruptcy Code, 2016 ("Code") ("Approved Resolution Plan"). As per the terms of Section 31 of the Code, the Resolution Plan shall be binding on the Company, its employees, members, creditors, guarantors and other stakeholders involved in the Resolution Plan.  
  
On September 14, 2020, the Monitoring Committee formed under the terms of the Approved Resolution Plan re-constituted the Board of Directors of the Company as part of the implementation of the aforesaid Approved Resolution Plan.  
  
Though the Company has incurred a loss of Rs. 1,073.95 crores (before exceptional items) for the period ended December 31, 2020 and has accumulated losses of Rs. 20,130.54 crores as on that date, its current assets exceeds its current liabilities by Rs. 449 crores. With a view to improve the performance of the Company, the re-constituted Board has adopted a business plan with specific focus on utilising the existing capacities and exploring various avenues of enhancing revenues. Accordingly, the financial results have been prepared on a going concern basis.
- 3 The outbreak of corona virus (Covid-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company's operations and revenue during the period were impacted due to Covid-19 and also due to the fact that the capacity utilisation over the past few years have been in the range of 25-30%. With the new business plan in place, there is a focus to increase the capacity utilisation gradually in a phased manner. Accordingly, the results for the current periods are not comparable to the previous corresponding period results.  
  
The Company has taken into account the possible impact of Covid-19 in preparation of the financial results, including its assessment of the recoverable value of its assets based on the internal and external information up to the date of approval of these financial results and current indicators of future economic conditions.
- 4 Considering the nature of its business activities and related risks and returns, the Company operates in a single primary business segment, namely "Textiles", which constitutes a reportable segment in the context of Ind AS 108 on "Operating Segments". There has been no development during the quarter and nine months period necessitating any changes in Operating Segment.
- 5 Alok Infrastructure Limited ("Alok Infra") a wholly owned subsidiary of the Company, was admitted to the corporate insolvency resolution ("CIR") process in terms of the Insolvency and Bankruptcy Code, 2016 ("Code"), vide an order dated 24th October, 2018 of the Hon'ble National Company Law Tribunal, Mumbai ("Adjudicating Authority"). The Resolution Professional of Alok Infra has informed that under the advice of the Committee of Creditors, an application under Section 12A of the Code has been filed for withdrawing the insolvency petition of Alok Infra. Currently, this application is pending with the Adjudicating Authority.  
  
During the quarter and nine months ended December 31, 2020, Alok Infra has incurred a net loss of Rs 4.46 crores and Rs 12.75 crores respectively and has accumulated losses of Rs 1,022.76 crores. As it is in CIR process, the adequacy of the provision made in respect of the loan given of Rs. 321.39 crore (net of provision of Rs 1,051.60 crores) is not ascertainable, as impairment testing of its assets of Rs 939.89 crores has not been carried out.
- 6 Exceptional items recognized in the financial results comprises of (Rs in crore):-

Sr. No	Particulars	Quarter ended December 31, 2020	Quarter ended September 30, 2020	YTD December 31, 2020	YTD March 31, 2020
i.	Gain on extinguishment of liability on account of invocation of pledged shares as per resolution plan (Note a)	-	58.44	58.44	-
ii.	Gain on extinguishment of liability on account of reduction of certain portion of assigned debt as per the Approved Resolution Plan (Note b)	-	4,964.68	4,964.68	-
iii.	Impairment loss on assets (Note c)	-	-	(8,262.87)	-
iv.	Extinguishment of liability of operational creditors (including the Central Government, State Government or local authority) as per the resolution plan	-	-	-	938.97
v.	Write-back of non-assignable loans of financial creditors	-	-	-	1,093.52
vi.	Extinguishment of other current and non-current Liability	-	-	-	20.06
	<b>Total</b>	-	<b>5,023.12</b>	<b>(3,239.75)</b>	<b>2,052.55</b>

- a) In terms of the Approved Resolution Plan, 13,59,11,844 pledged equity shares were transferred to JM Financial Asset Reconstruction Company Limited (acting in its capacity as Trustee for JMFAARC - March - 2018 -Trust) (referred as "JM"). Further, as per the aforesaid Plan, the debt assigned to JM has been proportionately reduced by the value of such shares (Rs 58.44 crore) determined basis the lower of the trading price prevailing on BSE Limited or National Stock Exchange of India Limited one day before the date of invocation. Accordingly, extinguishment of financial liability amounting to Rs 58.44 crore has been recognised as exceptional gain in the financial results for the quarter ended September 30, 2020 and period ended December 31, 2020.
- b) In terms of the Approved Resolution Plan, JM and Reliance Industries Limited ("RIL") have converted such portion of their assigned debt into equity, such that their joint equity holding in the Company is 75%. Pursuant to such conversion, the proportionate reduction in Outstanding ARC Debt as per clause 1.2 (xii) of the Approved Resolution Plan is Rs. 5,240.14 crore. The price at which the conversion has taken place has been determined in accordance with the Approved Resolution Plan and applicable law and consequently, the difference between the issue of 275.46 crore equity shares at face value and the amount by which the assigned debt has been proportionately reduced as stated above has been recognised as exceptional gain in the financial results for the quarter ended September 30, 2020 and period ended December 31, 2020.
- c) During the quarter ended June 30, 2020, the Company had, based on an impairment assessment done by an independent valuer, recognised an impairment loss of Rs.8,262.87 crore on tangible assets and disclosed the same as an exceptional loss in the financial results for the period ended December 31, 2020.
- 7 As per Clause 1.2 (xi) of Approved Resolution Plan, the outstanding debt assigned to Resolution Applicants shall not carry interest for the first 8 years from the Closing Date (as defined in the Approved Resolution Plan), hence such debt has been measured at cost. After such period of 8 years, the terms of assigned debt shall be mutually agreed among the Resolution Applicants and the Company. The Approved Resolution Plan has an overriding effect on the Accounting Standard. Hence, had the Company applied the Ind AS, it would have recognised the assigned debt at its fair value and accordingly recognized the imputed interest cost over the period of loan in the statement of profit and loss.
- 8 Previous periods / year have been reclassified / regrouped, wherever necessary, to correspond with those of the current periods.



By order of the Board

For ALOK INDUSTRIES LIMITED

A. Siddharth  
(Chairman)

Place: Mumbai  
Date: 18th January, 2021