

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



26 August 2019

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. ALOKTEXT
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Dear Sirs,

Sub: Newspaper advertisement regarding Un-audited Financial Results (Standalone and Consolidated) for the quarter ended June 30, 2019

Pursuant to Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith copy of the Un-audited Financial Results (Standalone and Consolidated) for the quarter ended June 30, 2019, published in the Newspapers as per the following details:

Name of the Newspaper	Language	Date
Business Standard	English	15.08.2019
Gandhinagar Western Times	Gujarati	15.08.2019

Kindly take record of the same.

Yours truly,
For Alok Industries Limited

Authorised Signatory



ALOK INDUSTRIES LIMITED

CIN. L17110DN1986PLC000334

Regd Office : 17/5/1, 521/1 Village Rakholi / Sayli, Silvassa - 396230
Union Territory of Dadra and Nagar Haveli

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2019 AND UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2019

Rs in Crore (except EPS)

Sr. No.	PARTICULARS	Standalone				Consolidated			
		Quarter ended		Year Ended		Quarter ended		Year Ended	
		30.06.2019 (Unaudited)	31.03.2019 (Audited)	30.06.2018 (Unaudited)	31.03.2019 (Audited)	30.06.2019 (Unaudited)	31.03.2019 (Audited)	30.06.2018 (Unaudited)	31.03.2019 (Audited)
1	Income								
	a) Revenue from Operations	817.38	770.52	786.50	3,128.76	866.63	810.15	895.66	3,352.24
	b) Other Income	65.19	45.55	1.67	124.32	15.91	2.46	10.14	18.53
	Total Income	882.57	816.07	788.17	3,253.08	882.54	812.61	905.80	3,370.77
2	Expenses								
	a) Cost of materials consumed	532.35	517.50	521.76	2,105.77	547.13	530.37	587.91	2,215.54
	b) Purchase of Stock in Trade	-	-	-	-	1.61	1.64	1.99	8.82
	c) Changes in inventories of finished goods and work-in-progress	3.68	(7.73)	7.61	45.51	9.74	(3.95)	12.70	49.91
	d) Employee benefits expense	56.25	64.94	65.07	252.95	69.01	75.75	77.83	300.89
	e) Finance costs (refer note no. 8)	12.94	868.93	1,046.23	4,158.00	16.92	909.77	1,081.96	4,308.74
	f) Depreciation and amortisation expense	139.44	132.74	133.15	533.17	142.99	136.49	136.77	549.51
	g) Other expenses	210.09	153.08	211.97	892.83	221.12	258.87	224.82	958.93
	h) Bad debts written off	0.15	-	-	-	0.01	-	-	-
	i) Provision for doubtful debts and advances	(5.40)	26.87	-	28.82	(5.31)	(54.81)	(0.51)	(52.68)
	Total expenses	949.50	1,766.33	1,985.79	8,017.05	1,003.22	1,854.13	2,123.47	8,339.66
3	Loss from operations before Share of profit/(loss) of Joint Ventures, exceptional items and tax (1-2)	(66.93)	(940.26)	(1,197.62)	(4,763.97)	(120.68)	(1,041.52)	(1,217.67)	(4,968.89)
4	Share of profit/(loss) from joint ventures	-	-	-	-	(0.26)	(0.24)	(0.26)	(1.02)
5	Loss before exceptional items and tax (3 - 4)	(66.93)	(940.26)	(1,197.62)	(4,763.97)	(120.94)	(1,041.76)	(1,217.93)	(4,969.91)
6	Exceptional items	-	7,045.19	-	7,045.19	-	7,045.19	-	7,045.19
7	Profit / (Loss) before tax (5 - 6)	(66.93)	6,104.93	(1,197.62)	2,281.22	(120.94)	6,003.43	(1,217.93)	2,075.28
8	Tax expense								
	(i) Current Tax	-	-	-	-	-	(0.03)	-	0.86
	(ii) Deferred Tax	-	(0.91)	-	(0.91)	-	(1.74)	-	(1.74)
	(iii) Provision for tax in respect of earlier years	-	-	-	-	-	-	-	-
	Total Tax expense	-	(0.91)	-	(0.91)	-	(1.77)	-	(0.88)
9	Net Profit / (Loss) for the period (7-8)	(66.93)	6,105.84	(1,197.62)	2,282.13	(120.94)	6,005.20	(1,217.93)	2,076.16
10	Other comprehensive income								
	(i) Items that will not be subsequently reclassified to profit or loss								
	(a) Remeasurements gains/(losses) on defined benefit plans	-	2.60	-	2.60	-	2.60	-	2.60
	(b) Income tax on (a) above	-	(0.91)	-	(0.91)	-	(0.91)	-	(0.91)
	(ii) Items that will be subsequently reclassified to profit or loss								
	(a) Income tax on (i) above	-	-	-	-	17.37	32.97	(198.79)	(231.70)
	(b) Income tax on (ii) above	-	-	-	-	(6.01)	(11.41)	68.80	80.19
	Total Other comprehensive income	-	1.69	-	1.69	(6.01)	23.25	(129.99)	(149.82)
11	Total comprehensive income (9+10)	(66.93)	6,107.53	(1,197.62)	2,283.82	(109.58)	6,028.45	(1,347.92)	1,926.34
12	Paid up Equity Share Capital (Face Value Rs.10/- per equity share)	1,368.64	1,368.64	1,368.64	1,368.64	1,368.64	1,368.64	1,368.64	1,368.64
13	Other Equity (excluding Revaluation Reserve)	-	-	-	(14,290.82)	-	-	-	(15,962.97)
14	Earnings per share (EPS) (of Rs.10 each):								
	Basic (Rs.)	(0.49)*	44.90*	(8.81)*	16.67	(0.89)*	44.16	(8.96)*	15.17
	Diluted (Rs.)	(0.49)*	44.90*	(8.81)*	16.67	(0.89)*	44.16	(8.96)*	15.17

* - Not annualised

Notes :

- 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 18 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"). During the CIR process, only one resolution plan dated 12 April, 2018 ("Resolution Plan") was received from JM Financial Asset Reconstruction Company Limited, JM Finance ARC - March 18 Trust and Reliance Industries Limited jointly ("Resolution Applicants"). Pursuant to its order dated 08 March 2019 ("NCLT Order"), the Adjudicating Authority approved the resolution plan ("Approved Resolution Plan") submitted by the Resolution Applicants for the company under Section 31 of the Insolvency and Bankruptcy Code, 2016 ("Code"). As per the terms of Section 31 of the Code, the Approved Resolution Plan shall be binding on the Company, its employees, members, creditors, guarantors and other stakeholders involved in the Resolution Plan. Pursuant to the Approved Resolution Plan, a Monitoring Committee has been formed w.e.f. 12th March, 2019 to manage the affairs of the Company and to maintain the Company as a going concern. Considering this the financial statements are being presented on a "Going Concern" basis.
- The implementation of the Approved Resolution Plan is yet to commence. Upon implementation of the Approved Resolution Plan, inter alia:
 - Total plan outlay of Rs. 6252 crore would be deployed as under:
 - Payment to financial creditors -INR 5,052 crore (less any excess CIRP cost, if any, in terms of the Resolution Plan).
 - Payment towards CIRP cost, amount due to operational creditors, workmen and employees -INR 700 crore.
 - Payment towards capital expenditure -INR 500 crore.
 - Reduction of existing share capital - The Resolution Plan proposes reduction of the Company's share capital without any payout to the shareholders, by reducing the face value of each issued and outstanding equity share of the Company from INR 10 to Rs. 1.
 - Issuance of Securities - Reliance Industries Limited (RIL) will infuse (i) INR 250 crore into the Company against issuance of 83,33,333 shares constituting 21.25% of the issued and paid up equity share capital of the Company; (ii) INR 250 crore into the Company against issuance of 9% optionally convertible preference shares of face value of Rs 1 each. Further, the JMFARC - March - 2018 - Trust will convert a portion of the Outstanding ARC Debt into equity shares such that it holds 171,06,66,667 equity shares constituting 43.63% of the issued and paid up equity share capital and will further invoke pledges on 13,59,11,844 equity shares assigned by Financial Creditors, such that it holds in total 47.09% of the issued and paid up equity share capital of the Company.
 - Post the additional issue of equity and conversion of Outstanding ARC Debt, Existing Promoter Group shall hold 6.66% of the Company's issued and paid up equity share capital, which, subject to necessary approvals, shall be cancelled through selective capital reduction without any payout to the Existing Promoter Group. Post and subject to the Promoter Capital Reduction, the Trust and/or RIL will in aggregate hold 75% of the Company's issued and paid up equity share capital. The public shareholding will be 25%.
- Certain creditors of the Company have filed petitions with the Hon'ble National Company Law Appellate Tribunal, New Delhi and Hon'ble NCLT, Ahmedabad, inter alia, praying for certain reliefs the same are pending for adjudication.
- The Company has recorded a total comprehensive income of Rs. (66.93) Crore during the quarter, The Company's accumulated losses amounted to Rs. 15725.45 Crore. Total liabilities of the Company as on 31st March, 2019 exceeded total assets by Rs. 12986.76 Crore.
- The net deferred tax assets as on 30th June, 2019 are Rs. 1423.11 crore (Previous Year Rs. 1423.11 crore). Since reliable projections of future taxable income shall be available only when the Approved Resolution Plan is implemented, deferred tax assets for the current period and the Financial Year are presently not recognised and the net deferred tax assets as at the end of the previous financial year have been carried forward.
- The Company's current level of operations, at about 30% of the capacity, may not be an indication of the future performance of the Company. Pending implementation of the Approved Resolution Plan, reliable projections of availability of future cash flows of the Company supporting the carrying value of Property, Plant and Equipment cannot be determined. Accordingly Impairment testing under Ind AS has not been performed while presenting these results.
- Considering the nature of its business activities and related risks and returns, the Company had, at the time of transition to Ind AS, determined that it 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 necessitating any changes in Operating Segment.
- Since the Resolution Plan for the company has been approved by the Adjudicating Authority, interest on borrowings as per claims admitted for the quarter ended 30th June, 2019 has not been accrued.
- (a) Alok Infrastructure Limited ("Alok Infra") a wholly owned subsidiary of the company, was admitted under 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 CoC, 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. (b) During the quarter ended, Alok Infra has incurred a net loss of Rs. 2.19 crore. The Company's accumulated losses amounted to Rs. 998.69 crore. Total liabilities as on 30th June, 2019 exceeded total assets by Rs. 921.96 crore. (c) Further, Alok Infra has not carried out any impairment testing of investment property and therefore the correct carrying value of investment property in the consolidated result is unascertainable.
- The Group has adopted Ind AS 116 "Leases" effective 1st April, 2019 and applied the Standard to its leases. This has resulted in recognizing a Right-of-Use asset and a corresponding Lease Liability. The impact on the profits/losses for the quarter is insignificant.
- The above results are certified by the Chief Financial Officer and the Company Secretary and taken on record by the Monitoring Committee at its meeting held on 14th August, 2019.
- The figures of previous periods / year have been reclassified / regrouped, wherever necessary, to correspond with those of the current periods / year.

For ALOK INDUSTRIES LIMITED

Sd/-

Sunil O. Khandelwal
(Chief Financial Officer)

Sd/-

K. H. Gopal
(Company Secretary)

Taken on Record

Sd/-

Ajay Joshi
(On behalf of the Monitoring Committee)

Place: Mumbai
Date: 14th August, 2019

