



NBS & CO.

Chartered Accountants

14/2, Western India House, Sir P. M. Road, Fort, Mumbai - 400 001.

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Independent Auditor's Report

To the Members of

Alok Infrastructure Limited.

Report on the Financial Statements

We have audited the accompanying financial statements of, **Alok Infrastructure Limited** which comprise the Balance Sheet as at 30th September, 2013, the Statement of Profit and Loss for the period 1st April, 2012 to 30th September, 2013 and the Cash Flow Statement for the period then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13 September 2013 of Ministry of Corporate Affairs) and in accordance with the accounting principal generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Branch Offices : (1) No.38, 1st Floor, CBI Road, 2nd Main, Behind CBI Road, Ganganagar, Bangalore - 560 032.

(2) No.6, Divya Enclave, M. G. Road, Mangalore - 575 003.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 30th September, 2013;
- (b) In the case of Statement of Profit and Loss of the Loss for the period 1st April, 2012 to 30th September, 2013; and
- (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date

Emphasis of matter

We draw attention to note no. 28 of the accompanying financial statements relating to the accounting pursuant to an approved Scheme of Amalgamation of certain subsidiaries, whereby an amount of Rs. 690.08 Crores arising from loss real estates sales commitments/term sheets entered till 31st March, 2013 along with the loss in respect of valuation of real estate assets of one of its amalgamating subsidiaries and excess of liabilities over value of assets taken over, over the cost of investment in shares of the said subsidiaries of Rs.49.31 crores is adjusted against the Revaluation Reserve amounting to Rs.776.51 crores created on fair valuation of Land of Alok Infrastructure Ltd. Such accounting although different from that prescribed under the Accounting Standards, is in conformity with the accounting principal generally accepted in India as the same has been approved by the High Court.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



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- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13 September 2013 of Ministry of Corporate Affairs).
- (e) On the basis of the written representations received from the directors as on 30th September, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 30th September, 2013 from being appointed as a director in terms of clause (g) sub-section (1) of section 274 of the Act.

For NBS & Co.
Chartered Accountants
Firm Registration No: 110100W

Place: Mumbai

Date: 23.11.2013



Devdas Bhat
Partner
Membership No: 048094

ANNEXURE TO THE AUDITOR'S REPORT

Annexure referred to in paragraph of our report of even date to the members of the Alok Infrastructure Limited on the financial statements for the year ended September 30, 2013.

- (i) (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification.
- (c) The Company has not disposed off substantial part of its fixed assets during the year.
- (ii) (a) The Company is engaged into Real Estate Project and retail. The records of materials, stores and finished goods are properly maintained and which have been verified by the management during the year at reasonable intervals.
- (b) In our opinion and according to information & explanation given to us, the procedures of physical verification of stock followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) There were no material discrepancies noticed between the physical stocks and book stocks.
- (iii) (a) According to the information and explanations given to us, the Company has Granted unsecured loans to one company covered in the register maintained under section 301 of the Act of which an amount of Rs. 1.84 crores is outstanding as on 30th September, 2013.
- (b) As per the information and explanation given to us, the loan given by the company does not carry any interest and other terms and conditions of loan given by the company are not prima facie prejudicial to the interest of the company.
- (c) As per the information and explanation given to us, the loans given by the company are repayable on demand. . Hence clause iii (d) is not applicable to the company.
- (e) According to the information and explanations given to us, the Company has taken Unsecured loan from one company covered in the register maintained under section 301 of the Act of which an amount of Rs 1668.39 crores is outstanding as on 30th September, 2013.
- (f) As per the information and explanation given to us, the loan taken by the company does not carry any interest and other terms and conditions of loan given by the company are not prima facie prejudicial to the interest of the company
- (g) As per the information and explanation given to us none of the above loans are overdue. Hence clause iii (g) is not applicable to the company.



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- (iv) In our opinion and according to the information and explanations given to us, there is generally adequate internal control system and procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. Further on the basis of our examination, and according to the information & explanation given to us we have neither come across nor have been informed of any instance of major weaknesses in the aforesaid internal control system and procedure.
- (v) (a) According to the information and explanations given to us by the management, the company has entered into construction contracts with the parties covered under section 301 of the Act and same has been entered in the register required to be maintained under this section.
- (b) According to the information and explanation given to us we are of the opinion that the transactions made in pursuance of such contracts have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public in accordance with the provisions of Sections 58A and 58AA of the Companies Act, 1956.
- (vii) We are informed that there exists an internal check of the transactions of the company.
- (viii) We are informed that the Central Government has not prescribed maintenance of Cost records under Section 209 (1) (d) of the Companies Act, 1956.
- (ix) (a) According to records of the Company, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, income tax, wealth tax, sales tax, customs duty, service tax and excise duty, cess & other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, service tax and excise duty were outstanding, as at 30th September, 2013 for a period of more than six months from the date they became payable.
- (b) According to the information & explanation given to us, there are no dues in respect of sale tax, income-tax, customs duty, service tax, wealth-tax, excise duty and cess that have not been deposited on account of any disputes.
- (x) The company has accumulated loss of Rs 111.47 crores at the end of the year and the company has incurred loss of Rs 140.72 crores during the current financial year. The company has incurred cash loss of Rs.56.55 Crores, however there were no cash loss in the immediately preceding financial year.
- (xi) According to the information and explanation given to us, the company has not defaulted in repayment of dues to a financial institution and bank.
- (xii) According to the information and explanation given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a Chit Fund or a Nidhi / mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.



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- (xiv) The company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provision of clause 4(xiv) of the Companies (Auditor's Report) Order 2003 is not applicable to the company.
- (xv) According to the information and explanation given to us the company has given corporate guarantee for Term Loans taken by Alok Industries Ltd (holding company) of Rs 600 crores of which Rs 3.04 crores are outstanding as on 30th September, 2013 and remaining has been converted into FCNR.
- (xvi) On basis of records examined by us, and relying on the information compiled by the Company for co relating the funds raised to the end use of term loans, we have to state that the company has, prima facie applied the term loans for the purpose for which they were obtained.
- (xvii) According to the information & explanation given to us and on overall examination of the Balance Sheet of the company and after placing reliance on the reasonable assumptions made by the Company for classification of Long Term & Short Term usages of the funds, we report that no funds raised on short-term basis have been utilized for long-term investment.
- (xviii) According to the information & explanation given to us, during the year the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) The Company has not created any security or charge with respect to debentures, as this clause is not applicable to the Company.
- (xx) The Company has not raised any money by public issue, during the year.
- (xxi) In our opinion and according to the information & explanation given to us, no fraud on or by the company has been noticed or reported during the year, that cause the financial statements to be materially misstated.

Place: Mumbai
Date: 23.11.2013



For NBS & Co.
Chartered Accountants
Firm No 110100W

Devdas Bhat
Partner
Membership No. : 048094.

ALOK INFRASTRUCTURE LIMITED
BALANCE SHEET AS AT 30 SEPTEMBER 2013

		(Amount in Rs.)	
Particulars	NOTE NO.	As At 30 September 2013	As At 31 March 2012
I EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	500,000	500,000
(b) Reserves and surplus	4	(1,114,669,498)	(77,269,013)
		(1,114,169,498)	(76,769,013)
(2) Share application money pending allotment		-	99,500,000
(3) Non-current liabilities			
(a) Long-term borrowings	5	16,781,705,986	356,018
(b) Deferred tax liabilities (Net)	6	-	1,170,008
(c) Long term provisions	7	1,615,704	767,978
(d) Other Non Current Liabilities	8	16,067,428	-
		16,799,389,118	2,294,004
(4) Current Liabilities			
(a) Short-term borrowings	9	475,902,327	6,182,357,048
(b) Trade payables	10	599,734,023	256,425,972
(c) Other current liabilities	11	3,676,023,736	5,581,784,863
(d) Short-term provisions	12	8,611,326	358,588,560
		4,760,271,412	12,379,156,443
TOTAL		20,445,491,032	12,404,181,434
II ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	13	8,626,849,294	393,358,091
(ii) Capital work-in-progress	13	193,264,631	86,362,971
(b) Non-current investments	14	1,635,974,969	10,171,021,337
(c) Long-term loans and advances	15	1,062,387,623	751,893,286
(d) Deferred tax Asset (Net)	6	85,210,040	-
		11,603,686,557	11,402,635,685
(2) Current Assets			
(a) Inventories	16	5,128,758,575	413,172,977
(b) Trade receivables	17	627,000,891	173,865,399
(c) Cash and cash equivalents	18	46,890,311	285,879
(d) Short-term loans and advances	19	3,026,298,881	414,221,495
(e) Other Current Assets	20	12,855,817	-
		8,841,804,475	1,001,545,750
TOTAL		20,445,491,032	12,404,181,434

See accompanying notes forming part of the financial statement

As per our attached report of even date

For NBS & Co.
Chartered Accountants
FRN No.110100W

Devdas Bhat
Partner
M. No. 48094



For and on behalf of the Board

Ashok B. Jiwrajka Director

Dilip B. Jiwrajka

Surendra B. Jiwrajka Director

Place : Mumbai
Dated 23 NOV 2013

ALOX INFRASTRUCTURE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 30 SEPTEMBER 2013

(Amount in Rs.)

Particulars		Note No.	Period Ended 30 September 2013	Year Ended 31 March 2012
INCOME				
I.	Revenue from Operations	21	9,314,190,065	1,918,157,621
II.	Other Income	22	61,246,867	275,074,578
III.	Total Revenue (I+II)		9,375,436,932	2,193,232,199
IV. EXPENSES :				
	Purchase of Traded Goods		37,576,969	-
	Cost of Materials consumed	23	3,574,781,178	2,075,593,355
	Change in Stock of Finished Goods and Process Stock (Refer note 29)	24	5,565,245,653	(296,001,771)
	Employee Benefit Expenses	25	72,595,080	6,642,921
	Finance costs	26	240,500,651	34,407,825
	Depreciation / Amortisation expenses	13	73,247,714	2,286,745
	Other Expenses	27	450,259,854	27,246,069
	Total Expenses		10,014,207,119	1,850,175,144
V	(LOSS) / PROFIT BEFORE EXCEPTIONAL & EXTRAORDINARY ITEMS & TAX (III-IV)		(638,770,187)	343,057,055
VI	Extraordinary Items		-	(358,498,539)
VII	Exceptional Items		(768,468,232)	-
VIII	(LOSS) BEFORE TAX (V-VI)		(1,407,238,419)	(15,441,484)
IX	Provision for Taxation - Current Tax - Deferred Tax		- (3,544,853)	(68,637,998) (1,275,260)
X	(LOSS) FOR THE PERIOD (VII-VIII)		(1,410,783,272)	(85,354,742)
XI	Short Provision of Income Tax in respect of Previous year		-	(64,667,518)
XII	BALANCE CARRIED TO BALANCE SHEET		(1,410,783,272)	(150,022,259)
	Earning Per Share			
	-Basic		-28,215.67	-1,707.09
	-Diluted		-28,215.67	-1,707.09

See accompanying notes forming part of the financial statement

As per our attached report of even date

For NBS & Co.
Chartered Accountants
FRN No.110100W

Devdas Bhat
Partner
M. No. 48094

Place : Mumbai
Dated : 23 NOV 2013

For and on behalf of the Board

Ashok B. Jiwrajka Director

Dilip B. Jiwrajka Director

Surendra B. Jiwrajka Director

ALOK INFRASTRUCTURE LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2013

Particulars	Period Ended 30 September 2013	(Amount in Rs.) Year Ended 31 March 2012
A] Cash flow from operating activities:		
Net Loss before tax	(1,407,238,419)	(15,441,484)
Adjustments for:		
Extraordinary MTM loss	-	358,498,539
Exceptional Items - Impairment of Investments	768,468,232	-
Depreciation	73,247,714	2,286,745
Interest and Financial charges (Net)	572,671,295	333,311,485
(Profit) / Loss on Sale Of Fixed assets	53,282,757	(258,175,359)
(Profit) / Loss on Sale Of Investments	52,659,981	-
Operating profit before working cap. Changes	113,091,560	420,479,927
Adjustments for:		
Increase / (Decrease) in Current Liabilities & Provisions	644,954,156	149,006,871
(Increase) / Decrease in Trade receivables	(453,135,492)	(116,078,931)
(Increase) / Decrease in Loans & Advances	(2,934,227,891)	(133,776,448)
(Increase) / Decrease in Inventories	(4,715,585,598)	(296,001,771)
Cash generated from operating activities	(7,344,903,265)	23,629,648
Income Tax paid (Net)	(87,363,549)	(133,305,516)
Net Cash (used) / generated from operating activities	(7,432,266,814)	(109,675,868)
B] Cash flow from investing activities:		
Purchase of Fixed Asset	(8,559,985,056)	(62,188,723)
Sale of Fixed Assets	23,122,322	304,290,000
Advance for capital Expenditure	(3,761,000)	(3,910,000)
Purchase of Investments in Shares (Net)	8,629,492,505	(2,505,895,337)
Purchase of Investments in Real Estate (Net)	(1,268,759,950)	-
Sale of Investments in Real Estate (Net)	423,125,000	-
Net cash (used) in investing activities	(756,766,179)	(2,267,704,060)
C] Cash flow from financing activities:		
Proceed from Term Borrowings	11,930,738,350	(1,225,614,596)
Increase / (Decrease) in Reserves on account of Merger	373,382,787	-
Share Application Money (Net)	(3,500,000,000)	3,500,000,000
Interest Paid	(568,483,709)	(333,311,485)
Net cash generated from financing activities	8,235,637,427	1,941,073,919
Net increase / (decrease) in cash & cash equivalents [A+B+C]	46,604,433	(436,306,009)
Cash and cash equivalents at the beginning of the period	285,879	436,591,888
Cash and cash equivalents at the end of the period (Includes Rs. 25561004 pursuant to amalgamation (refer note 7))	46,890,311	285,879
Net (decrease) / increase in cash & cash equivalents	46,604,433	(436,306,009)



NOTES TO CASH FLOW STATEMENT

- 1) Components of Cash and Cash Equivalents include Cash and Bank Balances in Current & Fixed deposits Accounts.
- 2) The Cash Flow Statement has been prepared in accordance with the requirements of Accounting Standard 'AS-3' Cash Flow Statements".
- 3) Pursuant to scheme of amalgamation between Alok Infrastructure Ltd. (Transferee Company) and some of its wholly owned Subsidiaries / fellow Subsidiaries viz. Alok Realtors Private Limited, Alok Land Holdings Private Limited, Alok H & A Limited, Alok Retail (India) Limited and Alok Apparels Private Limited (Transferor Companies) with appointed date of 1 April 2012, the assets and liabilities of the transferee companies were taken over as per going concern basis as on a April 2012.
- 4) Previous year's figures have been regrouped / restated wherever necessary.

As per our attached report of even date

For NBS & Co.
Chartered Accountants
FRN No.110100W



Devdas Bhat
Partner
M. No. 48094



Place : Mumbai
Dated 23 NOV 2013

For and on behalf of the Board


Ashok B. Jiwrajka Director


Dilip B. Jiwrajka Director

Surendra B. Jiwrajka Director

ALOK INFRASTRUCTURE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2013

Notes - 1 "Corporate Information"

Alok Infrastructure Limited is a public Limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956, having Registered office at Tower B, Peninsula Business Park, G. K. Marg Lower Parel, Mumbai- 400013. The company is engaged into Real Estate projects and Retail.

Notes - 2 "Significant Accounting Policies"

a) Basis of accounting and preparation of financial statements

The Financial Statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b) Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles require estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between, the actual results and estimates are recognised in the period in which the results are known / materialise.

c) Revenue Recognition

Revenue from construction contracts is recognised by adopting "Percentage Completion Method". It is stated on the basis of physical measurement of work actually completed at the balance sheet date, taking into account contract price and revision thereto.

Revenue from sale of Goods is recognised when earned and no significant uncertainty exists as to its realization. Sales are recognised on delivery of merchandise to the dealers, when significant risks and rewards are transferred and no effective ownership control is retained. Also refer 12 (b) below for stock correction policy.

Sales are net of discounts and sales returns. Value Added Tax and Sales Tax are reduced from Turnover. Discounts include Minimum Earnings Assurance (MEA) rebate given to the customers.

d) Fixed Assets

a) Tangible Assets

Fixed assets are carried at their original cost of acquisition less accumulated depreciation and impairment losses. Cost comprises of all costs incurred to bring the assets to their location and working condition and include all expenses incurred up to the date of launching new stores to the extent they are attributable to the new store.

The advances paid for the acquisition and development of Land has been classified as Advance for Capital Expenditure and has been grouped under Long Term Loans & Advances as per the requirement of Revised Schedule VI.

Depreciation is provided on straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 except in case of some items of furniture and fixtures which are depreciated over management estimated useful life of 6 years. The assets are depreciated from the month in which they are capitalized.



b) Intangible Assets

Intangible assets are carried at their cost of acquisition less accumulated amortization and impairment losses, if any. Acquired intangible assets i.e. Brands and Trademarks are recognized, where it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. The carrying amount of intangible assets is amortised over the best estimate of its useful life on a straight-line basis uniformly over a period of 10 years.

The company capitalises software and related implementation costs where it is reasonably estimated that the software has an enduring useful life. Software is amortised over management estimate of its useful life of 5 years.

e) Investments

Investments classified as Long Term Investments are stated at cost. Provision is made to recognise a decline, other than temporary, in the value of investments. Current investments are carried at cost or fair value whichever is lower.

f) Depreciation / Amortisation

Depreciation on Fixed Assets is provided on Straight Line Method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

g) Inventories

a) Stores and Construction Materials are valued and stated at lower of cost or net realisable value. The FIFO method of inventory valuation is used to determine the cost.

Work-in-Progress on construction contracts reflects value of material inputs and expenses incurred on contracts.

b) Inventories are valued at lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location.

h) Employee Benefits**a) Defined Contribution Plan**

Company's contribution paid/ payable for the year to define contribution retirement benefit scheme is charged to Profit and Loss account.

b) Defined Benefit Plan

Company's liabilities towards defined benefit scheme are determined using the projected unit credit method. Actuarial valuation under projected unit credit method are carried out at Balance Sheet date. Actuarial gains/losses are recognised in Profit and Loss Account in the period of concurrence of such gains and losses. Past service cost is recognised immediately to the extent benefits are vested otherwise it is amortized on straight line basis over running average periods until the benefits become vested. The retirement benefit obligation is recognised in Balance Sheet represents present value of the defined benefit obligations as adjusted for unrecognised past service cost and as reduced by fair value of scheme assets any asset resulting from this calculation is limited to past service cost, the present value is available refunds and reduction in future contribution to the scheme.

c) Short Term Employee Benefits

Short term employee benefits expected to be paid in exchange for the services rendered by the employee are recognised undiscounted during the period the employee renders the services, these benefits include incentive, bonus.

i) Government Grants

Grants, in the nature of interest subsidy under the Technology Upgradation Fund Scheme (TUFS), are accounted for when it is reasonably certain that ultimate collection will be made. Government grants not specifically related to fixed assets are recognised in the statement of Profit and Loss in the year of accrual / receipt.



j) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue.

k) operating Lease

Asset acquired on lease where significant portions of the risks and rewards incidental to ownership are retained by the lessor is classified as operating lease. Lease rentals are charged to profit and loss account on accrual basis.

l) Income taxes

Tax expense comprises of current tax, deferred tax. Current tax and deferred tax are accounted for in accordance with Accounting Standard (AS-22) on "Accounting for taxes on Income". Current tax is measured at the amount expected to be paid / recovered from the tax authority using the applicable tax rates. Deferred tax assets and liabilities are recognised for future tax consequence attributable to timing difference between taxable income and accounting income that are capable of reversing in one or more subsequent periods and are measured at relevant enacted/ substantively enacted tax rates. At each balance sheet date, the Company reassesses unrealised deferred tax assets to the extent they become reasonably certain or virtually certain of realisation, as the case may be.

m) Impairment of Fixed Assets

At the end of each year, the company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard (AS-28) "Impairment of Assets". An impairment loss is charged to the Profit and Loss Account in the year in which, an asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

n) Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. The Group's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments which is primarily market based.

Unallocated items include general corporate income and expense items, which are not allocated to any

o) Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.



ALOK INFRASTRUCTURE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2013

Particulars	As At 30 September 2013	As At 31 March 2012
NOTES '3'		
SHARE CAPITAL		
Authorised :		
8,80,50,000 (Previous Year 1,00,00,000) Equity shares of Rs.10/- each	880,500,000	100,000,000
Issued, Subscribed and Paid up :		
Equity Share Capital		
50,000 Equity shares of Rs. 10/- each fully paid (Out of the above, 600 fully paid equity shares are held by the holding Company Alok Industries Ltd through declaration of beneficial interest as per Section 187C of Companies Act,1956 and 49,400 equity shares are held by the holding Company - Alok Industries Limited)	500,000	500,000
A) No. of Shares held by Holding Company	49,400	49,400
No. of Shares held by Holding Company through declaration of beneficial interest by directors of the Company as per Section 187C of Companies Act,1956	600	600
TOTAL	50,000	50,000
B) Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held.		
Alok Industries Ltd	49,400	49,400
C) Reconciliation of Equity shares outstanding at the beginning & at the end of the period.		
At the beginning of the period	No. of Shares 50,000	No. of Shares 50,000
Issued during the period	-	-
Outstanding at the end of the period	50,000	50,000
NOTES '4'		
RESERVE AND SURPLUS		
Capital Reserve	395,666,526	-
Revaluation Reserve		
Balance as per Last Balance Sheet	-	-
Addition during the year on amalgamation (Refer note 28)	7,765,056,529	-
Less - adjustment done on amalgamation (Refer note 28)	(7,393,840,267)	-
	371,216,262	-
Surplus / (deficit) in Statement of Profit & Loss		
Opening Balance	(77,269,013)	72,753,246
Add: on amalgamation (Refer Note 28)	(393,500,001)	-
Add: (Loss) / Profit during the year	(1,410,783,272)	(150,022,259)
	(1,881,552,286)	(77,269,013)
TOTAL	(1,114,669,498)	(77,269,013)



ALOK INFRASTRUCTURE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2013

Particulars	As At 30 September 2013	As At 31 March 2012
NOTES '5'		
LONG-TERM BORROWINGS		
From Banks		
a) Term Loans (refer note 7)	97,782,101	
b) Vehicle Loans		356,018
From Holding company	16,683,923,885	
TOTAL	16,781,705,986	356,018

NOTE

1. Term loan of rs. 97,782,101/- is secured by (i) a first charge on the existing and future Fixed Assets of the Company (ii) the personal guarantee of the Directors of the Company.

2. The Term Loan is repayable in 10 Years including 2 years of moratorium from the date of disbursement starting from 2009-10 till 2017-18. The rate of Interest is 14% p.a

NOTES '6'		
DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liability (DTL)		
Depreciation	37,549,963	1,448,386
	37,549,963	1,448,386
Deferred Tax Asset (DTA)		
Provision for Gratuity/Leave Encashment	-	278,378
Business / Depreciation loss as per I. Tax Act.	122,760,002	-
	122,760,002	278,378
Total Deferred Tax Liability (Net)	(85,210,040)	1,170,008

NOTES '7'		
LONG-TERM PROVISIONS		
Provision for employee benefits	1,615,704	767,978
TOTAL	1,615,704	767,978

NOTES '8'		
OTHER NON CURRENT LIABILITIES		
Deposit Received	16,067,428	-
TOTAL	16,067,428	-

NOTES '9'		
SHORT-TERM BORROWINGS		
a) Loans & advances from Related parties	475,902,327	403,399,079
b) Bills Discounted		5,778,957,969
TOTAL	475,902,327	6,182,357,048

NOTES '10'		
TRADE PAYABLES		
Trade Payables	599,734,023	256,425,972
TOTAL	599,734,023	256,425,972

Note :

There are no Creditors outstanding, as defined under the Micro, Small and Medium Enterprises Development Act, 2006.



ALOK INFRASTRUCTURE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2013

PARTICULARS	As At 30 September 2013	As At 31 March 2012
NOTES '11'		
OTHER CURRENT LIABILITIES		
a) Current maturities of long-term debt from Bank	2,856,237,469	2,000,394,366
b) Interest Accrued but Not Due	4,187,586	
c) Share Application Money		3,400,500,000
d) Advance Received from Customers	632,500,682	36,435,000
e) Temporary overdrawn bank balance	44,595,925	78,364,833
f) Other payables		
Sundry Creditors - Capital Asset	13,414,883	3,165,910
Creditors For Others	17,120,785	56,609,915
Creditors for Statutory Liabilities	107,966,408	6,314,839
TOTAL	3,676,023,736	5,581,784,863

Note:

- 1) Term Loan of Rs. 2,141,494,773/- from Banks are secured by way of
 - a) Mortgage of saleable area in tower B situated at Peninsula Business Park Lower parcel admeasuring approx 6.42 lakhs
 - b) Mortgage of saleable area in commercial office Ashford Centre, Matulya Mills Compound, Lower Parcel, admeasuring 64800 Sq. Fts. belonging to Alok Infrastructure Ltd.
 - c) Escrow of entire receivables from Tower B and Ashford Centre.
 - d) Registered mortgage of approx 180 acres of Industrial land at Silvassa.
 - e) additional security by way of i) personal guarantee of directors Ashok Jiwrajka, Dilip Jiwrajka & Surendra Jiwrajka, ii) Corporate guarantee of Kesham Developers & Infotech Pvt. Limited and Alok Infrastructure Ltd, iii) undertaking from Alok Infrastructure Ltd and Alok Industries Limited 1) to bring in the required loan/equity 2) to fund any cost overrun 3) to service interest during moratorium period in case of any shortfall in revenue
 - f) Company to undertake assign its interest under the project documents that assignment/security interest on the borrowers rights under project documents including agreement to sell, all licences permits, approvals consents and insurance in case of breach of terms
 - g) Term loan from banks are repayable in 8 quarterly installments from the date of balance sheet and carry minimum interest rate of 14.75% per annum and maximum of 15.60% per annum
- 2) Term loan of Rs. 644,904,374/- from Financial Institutions is secured by way of pari passu charge on the:
 - a) Mortgage of saleable area in tower B situated at Peninsula Business Park Lower parcel admeasuring approx 6.42 lakhs sq. fts.
 - b) Mortgage of saleable area in commercial office Ashford Centre, Matulya Mills Compound, Lower Parcel, admeasuring 64800 Sq. Fts. belonging to Alok Infrastructure Ltd.
 - c) Escrow of entire receivables from Tower B and Ashford Centre
 - d) registered mortgage of approx 180 acres of Industrial land at Silvassa
 - e) additional security by way of i) personal guarantee of directors 1) Mr. Ashok Jiwrajka, b) Dilip Jiwrajka c) Surendra Jiwrajka, ii) demand promissory note, iii) PDC for debt servicing iii) 98.80% shareholding of AFL
- 3) Term Loan from IFCI Limited is repayable over period of 3 years and 4 months (including moratorium of 16 months) in 8 quarterly installments which shall begin from 15th May 2012. The rate of applicable interest is 13% p.a. payable monthly.
- 4) Term Loan from SICOM Limited is repayable over period of 2 Years and 6 months (after a moratorium period of 1 year and 6 months) in ten quarterly installments of Rs. 3 crore each, carrying interest of 13% p.a. on monthly basis.
- 5) Term loans from Financial Institutions are repayable in 8 quarterly installments from the date of balance sheet and carry minimum interest rate of 13.50% per annum and maximum interest rate of 15.75% per annum.
- 6) a) Term loan of Rs. 6,97,29,332.19/- is secured by (i) a first charge on the existing and future Fixed Assets of the Company (ii) the personal guarantee of the Directors of the Company. b) The Term Loan is repayable in 10 Years including 2 years of moratorium from the date of disbursement starting from 2009-10 till 2017-18. The rate of Interest is 14% p.a



ALOK INFRASTRUCTURE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2013

- 7) Installments falling due immediately within next 12 months have been classified under current borrowings.
- 8) Current maturities of long term debts from bank are secured by way of a) Subservient charge on the assets of the company b) Pledge on the subscribed and issued equity shares of Alok Land holdings Private Limited (A Wholly owned subsidiary of Alok Industries Ltd.) Ashford Infotech Private Ltd. (50% stake held by Alok Infrastructure Ltd.) and Alspun infrastructure Private Ltd. (50% stake held by Alok Infrastructure Ltd.) to the extent permissible under Banking Regulation Act c) Non disposal undertaking of the balance equity shares of the SPVS promoted and to be promoted by the company d) Unconditional and irrevocable corporate guarantee by the promoter i.e. M/s. Alok Industries Ltd e) PDC of Alok Industries Limited for principal account.
- 9) Out of total Share application monies of Rs.Nil (Previous Year Rs. 3,400,500,000) the share application monies of Rs. Nil (Previous Year Rs.3,400,500,000) are being pending for allotment and being amount exceeding authorised share capital have been disclosed under other current liabilities. The company intends to allot the share of Rs.10/- each with appropriate premium. Company intends to issue such shares after the completion of projects under progress. The company shall increase its authorised share capital to match the requirement of issuance of shares against the share application money once the due approvals are received from the appropriate authorities. There is no interest payable on share application money and hence no provision for the same is made.
- 10) Vehicle loans are secured by the respective assets purchased under the said loans.
- 11) Temporary overdrawn bank balance are as per books consequent to issue of cheques at the year end though the banks have positive balances as on that date

Particulars	As At 30 September 2013	As At 31 March 2012
NOTES '12'		
SHORT-TERM PROVISIONS		
Provision for Gratuity and compensated absences	362,825	90,021
Provision for taxation	-	-
Provision for Exchange Rate Loss	-	358,498,539
Other Provision	8,248,501	-
TOTAL	8,611,326	358,588,560



ALOK INFRASTRUCTURE LIMITED

NOTES FORMING PART OF THE BALANCE SHEET AS AT 30 SEPTEMBER 2013

NOTES '13'
FIXED ASSETS

SRL NO.	DESCRIPTION OF ASSETS	GROSS BLOCK						DEPRECIATION						NET BLOCK	
		AS AT 01-Apr-12	ADDITION DUE TO REVALUATION	ACQUISITION THROUGH AMALGAMATION	ADDITIONS	DEDUCTIONS/ADJUSTMENTS	AS AT 30-Sep-13	AS AT 01-Apr-12	ACQUISITION THROUGH AMALGAMATION	FOR THE YEAR	IMPAIRMENT OF ASSET	DEDUCTIONS/ADJUSTMENTS	AS AT 30-Sep-13	AS AT 30-Sep-13	AS AT 31-Mar-12
1	Air Conditioner	55,400		10,440,731	400,751	1,467,041	9,429,841	11,185	914,586	704,446		187,811	1,442,406	7,967,435	44,216
2	Borewell	152,940			-	-	152,940	20,858		7,662		-	28,520	124,420	132,082
3	Computer & Peripherals	139,050		29,222,238	48,000	2,173,998	27,235,290	92,038	8,783,732	6,777,030		793,403	14,859,297	12,375,893	47,012
4	Electrical Installation			1,515,822			1,515,822		358,737	143,927			502,664	1,013,158	
5	Factory Building			179,339,542			179,339,542		23,311,290	8,984,911			32,296,209	147,043,333	
6	Furniture & Fixtures						-						-	-	
7	Furniture and Fixtures	262,136		228,325,307	87,788	70,080,023	158,595,208	74,670	39,177,103	21,751,700	56,875,706	17,664,330	100,214,848	58,380,360	187,666
8	Land	331,825,923	7,693,748,791	28,379,615	26,817,988	17,958,305	8,062,814,012	-		-		-	-	8,062,814,012	331,825,923
9	Motor Car	1,672,781		7,983,079	-	-	2,044,282	344,287	39,178	291,310		-	674,775	1,369,507	1,328,494
10	Office Equipments	428,373				1,437,562	6,973,890	73,897	1,161,256	744,395		221,314	1,758,233	5,215,657	354,476
11	Plant & Machinery			106,834,860	4,937,584		111,772,444		18,902,561	7,963,787			26,866,348	84,906,096	
12	School Building	61,492,262	71,307,738	-	83,426,785	-	216,226,785	2,053,842		5,634,376		-	7,688,218	208,538,567	59,438,420
	Total Tangible Assets	398,028,865	7,765,056,529	592,412,695	115,718,895	93,116,928	8,776,100,058	2,670,775		53,003,546		18,866,859	180,331,618	8,589,768,439	393,358,091
1	Computer Software			46,152,434	13,475,447	2,618,276	57,009,605		5,624,372	16,616,734	13,063,694	463,267	34,841,533	22,168,072	
2	Brands			24,182,893			24,182,893		5,642,675	3,627,434			9,270,109	14,912,784	
	Total Intangible Assets	-	-	70,335,327	13,475,447	2,618,276	81,192,498	-	11,267,047	20,244,168	13,063,694	463,267	44,111,642	37,080,856	-
	TOTAL CURRENT PERIOD	398,028,865	7,765,056,529	662,748,021	129,194,343	95,735,204	8,857,292,556	2,670,775	103,915,498	73,247,714	69,939,400	19,330,126	230,443,260	8,626,849,294	393,358,091
	TOTAL PREVIOUS YEAR	359,356,788	-	-	82,786,738	46,114,641	396,028,865	384,030	-	7,286,745	-	-	2,670,775	393,358,091	358,922,738
	Capital work-in-progress													193,264,631	86,362,971



ALOK INFRASTRUCTURE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2013

Particulars	As At 30 September 2013	As At 31 March 2012
NOTES '14'		
NON-CURRENT INVESTMENTS		
a) Investments in Equity Instruments		
In Subsidiary Companies - Unquoted (Trade)		
Alok Industries International Ltd. [50,000 (previous year 50,000) Equity Shares of USD 1/- each]	2,541,500	2,541,500
Less: Provision	(2,541,500)	-
	-	2,541,500
Alok Realtors Private Limited [NIL (previous year 17,50,000) Equity Shares of Rs.10/- each]	-	17,500,000
Grabal Alok International Limited [50,025 (previous year 50,025) Equity Shares of USD 1/- each]	2,542,771	2,542,771
Less: Provision	(2,542,771)	-
	-	2,542,771
In Associates- Unquoted (Trade)		
Alspun Infrastructure Limited [1,00,000 (previous year 1,00,000) Equity Shares of Rs.10/- each]	1,000,000	1,000,000
Ashford Infotech Private Limited [25,00,000 (Previous year 25,00,000) Equity Shares of Rs.10/- each]	654,850,000	654,850,000
Kesham Developers & Infotech Private Limited [Nil (Previous Year 25,80,000) Equity shares of Rs.10/- each]	-	540,000,000
Springdale Information and Technologies Private Limited [Nil (Previous Year 6,00,000) Equity shares of Rs.10/- each]	-	575,000,000
b) Investment in Preference shares		
Ashford Infotech Private Limited [5,00,000 (Previous year, 5,00,000) Redeemable Preference Shares of Rs. 10/- each]	25,000,000	25,000,000
Alspun Infrastructure Limited [5,00,000 (Previous year, 5,00,000) Redeemable Preference Shares of Rs. 10/- & premium 314.30 each]	162,150,000	162,150,000
Grabal Alok International Limited [1,48,95,022 (Previous year 51,73,887) Redeemable Preference Shares of USD 1/- each]	693,444,561	262,988,676
Less: Provision	(693,444,561)	-
	-	262,988,676
c) Share Application Money		
In Subsidiary Companies - Unquoted (Trade)		
Alok Realtors Private Limited	-	7,182,059,299
Grabal Alok International Limited - BVI	-	403,399,079
Kesham Developers & Infotech Pvt.Ltd.	-	87,529,006
Springdale Information & Tech.Pvt.Ltd.	-	7,015,006
In Associates- Unquoted (Trade)		
Alok Land Holdings Pvt Ltd	-	247,446,000
Investment in Real Estate		
- Commercial Building	792,974,969	-
TOTAL	1,635,974,969	10,171,021,337



ALOK INFRASTRUCTURE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2013

Particulars	As At 30 September 2013	As At 31 March 2012
NOTES '15'		
LONG-TERM LOANS & ADVANCES		
Advance for Capital Goods	200,554,286	195,793,286
Advances to Others	814,125,000	555,000,000
Long Term Deposits	47,708,337	100,000
TOTAL	1,062,387,623	751,893,286

Note

Included in Advances :

1. Advances of Rs. 146,625,000/- given during 2008-09 to Akash Value Reality Pvt. Ltd for acquisition of premises admeasuring approx. 9450 sq.ft. in "Lotus Corporate Park" to be constructed at W. E. Highway, Graham Firth Compound, Goregaon (E), Mumbai against the total estimated contract value of Rs. 172,500,000/-. Balance amount will be payable on physical possession of the said premises. Amount unascertainable for the charges payable towards electric meter, water meter, taxes etc. (vide Contract note dt. 27th March 2008).

2. According to Memorandum of Understanding dated March 24, 2009 entered between the Company and M/s Super Construction Company, the Company has given advances of Rs. 102,500,000/- (Previous Year Rs. 102,500,000/-) for co-development of property situated at Wadala, Mumbai.

Particulars	As At 30 September 2013	As At 31 March 2012
NOTES '16'		
INVENTORIES		
Construction Work in Progress	197,632,516	413,172,977
Finished Goods	220,693,997	-
Construction project	4,710,432,062	-
TOTAL	5,128,758,575	413,172,977

NOTES '17'		
TRADE RECEIVABLES		
Outstanding for a period exceeding six months from the date they were due for payment	-	-
Secured, considered Good	-	-
Unsecured, considered Good	-	-
Doubtful	-	-
Other Debts	638,582,679	173,865,399
Less : Provision For Doubt Debts	(11,581,788)	-
TOTAL	627,000,891	173,865,399

NOTES '18'		
CASH AND CASH EQUIVALENTS		
Cash on Hand	1,018,138	37,039
Bank Balances :		
a) With Scheduled Banks :		
- In Current Accounts	43,652,173	248,840
- In Fixed Deposit Accounts	2,220,000	-
TOTAL	46,890,311	285,879

NOTE

1) Fixed Deposit of Rs. 380,000 Under lien for issuance of bank guarantee favouring commercial tax authorities



ALOK INFRASTRUCTURE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2013

Particulars	As At 30 September 2013	As At 31 March 2012
NOTES '19'		
SHORT-TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Loans & Advance to Related Parties	18,406,179	-
Advance to Others	2,628,382,121	-
Advance Tax & TDS (net of provisions Rs. 71,199,350/-)	148,651,090	20,916,294
<u>Other Loan & Advances</u>		
Prepaid Expenses	1,016,607	32,332,677
Advance to Creditors	208,278,202	353,775,049
Loans & Advance to Staff	1,233,743	-
Advance With Excise Dept. (Own)	10,895,849	433,456
Modvat Suspense A/C.	9,435,090	6,764,019
	3,026,298,881	414,221,495
Less : Provision	-	-
	3,026,298,881	414,221,495
Considered good	3,026,298,881	414,221,495
Considered doubtful	-	-
TOTAL	3,026,298,881	414,221,495
NOTES '20'		
OTHER CURRENT ASSETS		
Interest Receivable on Deposit	466,290	-
Subsidy Receivable	10,573,503	-
Rent Receivable	1,784,134	-
Interest Receivable (Others)	31,890	-
Export Incentives Receivable	21,431	-
	12,877,248	-
Less:		
Provision for Export Incentives Receivable	(21,431)	-
TOTAL	12,855,817	-
Note: Rs.10,573,503/- towards Capital & Interest subsidy receivable under TUF scheme of Govt of India (previous year Nil), considered good by the Management.		



ALOK INFRASTRUCTURE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2013

Particulars	For the period ended 30 September 2013	For the year ended 31 March 2012
NOTES '21' REVENUE FROM OPERATIONS		
Income From Construction Activity	9,285,350,516	1,918,157,621
Sale of products (Net of returns)	46,506,556	-
Less: Sales Tax / Value Added Tax	(17,667,007)	-
TOTAL	9,314,190,065	1,918,157,621
NOTES '22' OTHER INCOME		
Interest From Bank FDR	274,653	-
Interest From Other	-	-
Interest On N.S.C.	25,906	-
Interest received on Staff Loan	-	1,459
Interest received on share application money	-	13,998,683
Other Misc Receipt	26,634,734	-
Profit/Loss On Sale Of Assets	-	258,175,359
Rent Received	33,455,269	-
Sale Of Scrap	856,306	2,899,077
TOTAL	61,246,867	275,074,578
NOTES '23' COST OF MATERIAL CONSUMED		
Construction (Civil) Charges	1,284,530,873	1,420,213,433
Purchase Of Cement	163,834,735	85,791,610
Purchase Of Other Building Material	141,841,750	40,608,823
Purchase Of Steel	1,984,573,820	528,979,489
	3,574,781,178	2,075,593,355
NOTES '24' CHANGE IN STOCK OF FINISHED GOODS AND PROCESS STOCK		
Closing Stock as on 30.09.2013		
Process Stock	197,632,516	413,172,977
Finished Goods	220,693,997	-
Construction Project	4,710,432,062	-
Less : Opening Stock as on 01.04.2012		
Process Stock	(413,172,977)	(117,171,206)
Finished Goods	(281,095,653)	-
Real Estate assets received on amalgamation (Refer Note 29)	(16,900,539,725)	-
Less - Provision for onerous contract written back (Refer note below)	6,900,805,127	-
TOTAL	(5,565,245,653)	296,001,771



ALOK INFRASTRUCTURE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2013

Particulars	For the period ended 30 September 2013	For the year ended 31 March 2012
NOTES '25'		
EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages and Bonus	67,174,575	6,046,098
Contribution to Provident Fund and Other Funds	1,698,562	108,135
Employees Welfare Expenses	3,721,944	488,688
TOTAL	72,595,080	6,642,921
NOTES '26'		
FINANCE COST		
Bill Discounting Charges	32,332,677	32,332,678
Interest Paid :		
On Fixed Loans (Net of recovery of Rs. 364,503,311 (previous year 298,888,094))	205,649,580	(2,837,605)
On cash Credit & Others	2,518,404	4,912,752
TOTAL	240,500,661	34,407,825
NOTES '27'		
OTHER EXPENSES		
Advertisement	1,052,168	30,540
Labour Charges	22,545	29,886
Business Promotion Expenses	6,602,642	20,628
Commission Or Brokerage On Sales	32,843,540	-
Communication Expenses	2,497,798	171,221
Donation	122	-
Exchange Rate Diff.-Others	74,623,741	-
Electricity Expenses	7,494,714	69,079
Fees Rates & Taxes	4,967,688	52,348
Freight Coolie & Cartage	15,919,520	2,046,105
Impairment Of Assets	-	-
Insurance Charges	4,838,984	14,463
Legal & Profession Fees	16,995,067	6,404,146
Auditors' Remuneration	-	-
Audit Fees	2,679,532	135,384
Tax Audit Fees	22,472	-
Certification	-	-
	2,702,004	135,384
Profit/Loss On Sale Of Assets	53,282,757	-
Profit/Loss On Sale Of Investment	52,659,981	-
Prov. For Export Incentives	934,348	-
Interest on Income Tax Demand	-	3,516,944
Provision For Doubtful Debts & Adv.	52,139	-
Purchase Of Packing Materials	1,938,713	-
Purchase Of Stores	3,022,515	-
Rent	117,940,165	120,474
Repairs & Maintenance	33,198,090	-
Sales Promotion Expenses	-	-
Security Expenses	2,473,785	-
Taxation	-	-
Travelling Expenses	3,363,895	2,637,921
Misc. Exp	10,832,942	11,996,930
[Miscellaneous Expenses includes Bank Charges, Printing and Stationary, Motor Car Exp, Vehicle Exp, Travelling Exp, Telephone Exp etc.]		
TOTAL	450,259,864	27,246,069



NOTE '28' - ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

1. Capital Commitments

Particulars	(Amount in Rs.)	
	Current Year	Previous Year
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	47,084,154	35,825,334

2. Contingent Liabilities

- The company has given corporate guarantee of Rs. 750 crores to bank for loans taken by Subsidiary company.
- The company has given Corporate Guarantee of Rs. 600 crores to SBI for Loan taken by Alok Industries Ltd.
- Contingent Liability amounting to Rs. 592,572 in respect of court case pending against Roma Real Estate.

3. Details of Related Party Disclosure

i. Names of related parties and nature of relationship

As per Accounting Standard AS 18 "Related Party Disclosures" issued by the ICAI, Company's related parties have been disclosed as below:

Description of relationship	Names of related parties	
Holding Company	Alok Industries Limited	
Subsidiary Companies	Alok European Retail S.R.O. Grabal Alok International Limited Mileta, a.s. Alok Industries International Limited Grabal Alok (UK) Limited	
Fellow Subsidiaries	Alok International Inc. (U.S.A.) Alok Singapore PTE Ltd. Alok International (Middle East) FZE	
Associates	Aspun Infrastructure Limited Ashford Infotech Private Limited	
Entities under Common Control	Alok Denims (India) Limited Alok Knit Exports Limited Alok Textile Traders Ashok B. Jiwrajka (HUF) Ashok Realtors Private Limited Nirvan Exports Pramatex Enterprises Surendra B. Jiwrajka (HUF) Triumphant Victory Holding Limited D. Surendra & Co. Dilip B. Jiwrajka (HUF) Avan Packaging and Exports	Pramatex Enterprises Surendra B. Jiwrajka (HUF) Triumphant Victory Holding Limited D. Surendra & Co. Dilip B. Jiwrajka (HUF) Avan Packaging and Exports
Key Management Personnel	Ashok B. Jiwrajka Dilip B. Jiwrajka Directors Surendra B. Jiwrajka	
Relatives of Key Management Personnel	Vinod B. Jiwrajka Epi Source India Private Limited	



II. Nature of transaction with Associates, Holding Company, Key Management Personnel & Relative of Key Management Personnel.

Transaction	Holding Company	Associates / Entities under Common Control	Subsidiary Companies	Fellow Subsidiaries	Key Management Personnel / Relatives	Total
a) Share Capital						
Balance as at year end	500,000 (500,000)	- (-)	- (-)	- (-)	- (-)	500,000 (500,000)
b) Equity Share Application Money						
Balance as on 1st April, 2012	- (-)	3,500,000,000 (-)	- (-)	- (-)	- (-)	3,500,000,000 (-)
Received / Adjusted during the period (Net)	- (-)	(3,500,000,000) (3,500,000,000)	- (-)	- (-)	- (-)	(3,500,000,000) (3,500,000,000)
Balance as at 30th Sept, 2013	- (-)	- (3,500,000,000)	- (-)	- (-)	- (-)	- (3,500,000,000)
c) Long Term Borrowings						
Balance as on 1st April, 2012	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Received / Adjusted during the period (NET)	16,683,923,885 (-)	- (-)	- (-)	- (-)	- (-)	16,683,923,885 (-)
Balance as at 30th Sept, 2013	16,683,923,885 (-)	- (-)	- (-)	- (-)	- (-)	16,683,923,885 (-)
c) Short Term Borrowings						
Balance as on 1st April, 2012	403,399,079 (-)	- (-)	- (-)	- (-)	- (-)	403,399,079 (-)
Received / Adjusted during the period (NET)	(403,399,079) (-)	15,722,926 (-)	460,179,401 (-)	- (-)	- (-)	72,503,248 (-)
Balance as at 30th Sept, 2013	- (403,399,079)	15,722,926 (-)	460,179,401 (-)	- (-)	- (-)	475,902,327 (403,399,079)
d) Investments						
Balance as on 1st April, 2012	- (-)	843,000,000 (843,000,000)	1,562,972,947 (1,133,500,000)	- (-)	- (-)	2,405,972,947 (1,976,500,000)
Addition / Deduction during the period	- (-)	- (-)	(864,444,115) (429,472,947)	- (-)	- (-)	(864,444,115) (429,472,947)
Balance as at 30th Sept, 2013	- (-)	843,000,000 (843,000,000)	698,528,832 (1,562,972,947)	- (-)	- (-)	1,541,528,832 (2,405,972,947)
e) Share Application Money Paid						
Balance as on 1st April, 2012	- (-)	247,445,000 (408,995,000)	7,680,002,390 (5,441,864,000)	- (-)	- (-)	7,927,448,390 (5,850,859,000)
Given during the year (Net)	- (-)	- (850,000)	- (2,292,695,499)	- (-)	- (-)	- (2,293,745,499)
Adjustment / Allocated during the year	- (-)	247,445,000 (162,400,000)	7,680,002,390 (54,758,110)	- (-)	- (-)	7,927,448,390 (217,158,110)
Balance as at 30th Sept, 2013	- (-)	- (247,445,000)	- (7,680,002,390)	- (-)	- (-)	- (7,927,448,390)



Transaction	Holding Company	Associates / Entities under Common Control	Subsidiary Companies	Fellow Subsidiaries	Key Management Personnel / Relatives	Total
f) Loans & Advances						
Balance as on 1st April, 2012	-	-	-	-	-	-
	(-)	(30,000)	(892,545)	(-)	(-)	(922,545)
Received/(Given) during the year (Net)	-	18,406,179	-	-	-	18,406,179
	(-)	(30,000)	(892,545)	(-)	(-)	(922,545)
Balance as at 30th Sept, 2013	-	18,406,179	-	-	-	18,406,179
	(-)	-	-	(-)	(-)	-
g) Sundry Debtors						
Balance as at 30th Sept, 2013	432,511,607	-	-	-	-	432,511,607
	(88,227,389)	(-)	(-)	(-)	(-)	(88,227,389)
h) Deposits						
Balance as at 30th Sept, 2013	-	-	-	-	3,000,000	3,000,000
	(-)	(-)	(-)	(-)	(-)	-
i) Sundry Creditors						
Balance as at 30th Sept, 2013	170,938,405	-	-	-	-	170,938,405
	(-)	(-)	(-)	(-)	(-)	-
j) INCOME						
Turnover						
Income from Construction	4,014,043,279	-	-	-	-	4,014,043,279
	(1,918,157,621)	(-)	(-)	(-)	(-)	(1,918,157,621)
Sale of Goods	9,226,064	507,750	-	-	-	9,733,814
	(-)	(-)	(-)	(-)	(-)	-
Sale of Assets	4,021,502	-	-	-	-	4,021,502
	(-)	(-)	(-)	(-)	(-)	-
Rent Received	7,145,518	12,000	-	-	2,583,750	9,742,268
	(-)	(-)	(-)	(-)	(-)	(-)
Interest Received on Share Application Money						
Interest received from Alok Relators Pvt. Ltd.	-	-	-	-	-	-
	(-)	(-)	(298,888,094)	(-)	(-)	(298,888,094)
k) EXPENDITURE						
Rent Paid	1,052,440	-	-	-	1,600,000	2,652,440
	(114,000)	(-)	(-)	(-)	(-)	(114,000)
Salary	-	-	-	-	397,112	397,112
	(-)	(-)	(-)	(-)	(-)	-
Purchase of Traded Goods	3,959,219	-	-	-	-	3,959,219
	(-)	(-)	(-)	(-)	(-)	-
	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	-

- a. Related Party relationship is as identified by the company and relied upon by the Auditors
b. Previous year figures are given in brackets.



II. Out of the above items, transaction in excess of 10% of the total Related Party transactions are as under:

Transaction	Holding Company	Associates/ Entities under Common Control	Subsidiaries	Fellow Subsidiaries	Key Management Personnel / Relatives	Total
a) Share Capital						
Alok Industries Limited	500,000 (500,000)	- (-)	- (-)	- (-)	- (-)	500,000 (500,000)
b) Investments						
Alspun Infrastructure Ltd.	- (-)	163,150,000 (163,150,000)	- (-)	- (-)	- (-)	163,150,000 (163,150,000)
Ashford Infotech Pvt. Ltd.	- (-)	679,850,000 (679,850,000)	- (-)	- (-)	- (-)	679,850,000 (679,850,000)
Alok Industries International Limited	- (-)	- (-)	2,541,500 (2,541,500)	- (-)	- (-)	2,541,500 (2,541,500)
Grabal Alok International Limited	- (-)	- (-)	695,987,332 (265,531,447)	- (-)	- (-)	695,987,332 (-)
c) Share Application Money						
Grabal Alok International Limited	- (-)	- (-)	- (403,399,079)	- (-)	- (-)	- (-)
d) Short term borrowings						
Alok Industries Limited - Received	(403,399,079) (403,399,079)	- (-)	- (-)	- (-)	- (-)	- (403,399,079)
e) Sundry Debtors						
Alok Industries Limited	432,511,607 (88,257,383)	- (-)	- (-)	- (-)	- (-)	432,511,607 (-)
f) Turnover						
Alok Industries Limited	4,014,043,279 (1,918,157,621)	- (-)	- (-)	- (-)	- (-)	4,014,043,279 (1,918,157,621)

4. Earning Per Share (EPS)

Particulars	30-Sep-13	31-Mar-13
Net profit after tax		
Net Profit Available for Equity Shareholders - (Basic)	(1,410,763,272)	(85,354,742)
Net profit available for Equity Shareholders - (Dilutive)	(1,410,763,272)	(85,354,742)
Weighted average number of Equity Shares Basic (Nos.)	50,000	50,000
Weighted average number of Equity Shares Dilutive (Nos.)	50,000	50,000
Nominal value of equity shares per share (In Rupees)	10.00	10.00
Basic Earnings per share (Rupees)	(28,216)	(1,707)
Diluted Earnings per share (Rupees)	(28,216)	(1,707)



5. Segment Reporting

a) Primary Segment: Business Segment

The company has identified business segment as its primary segment and geographic segments as its secondary segment. Business segments are primarily Construction & Retail.

Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments. It is reported based on items that are individually identifiable to that segment. The company believes that it is not practical to allocate segment expenses, segment results, assets used, except debtors, in the company's business or liabilities contracted since the resources / services / assets are used interchangeably within the segments. Accordingly, no disclosure relating to same is made.

Geographical revenues are allocated based on the location of the customer.

Particulars	Construction		Retail		Consolidated	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Segment Revenue	9,285,350,516	1,918,157,621	28,839,549	-	9,314,190,065	1,918,157,621
Segment Result	(189,883,368)	(230,905,617)	(510,133,687)	-	(700,017,055)	(230,905,617)
Unallocable Expenses (net)	-	-	-	-	-	-
Operating Income	(189,883,368)	(230,905,617)	(510,133,687)	-	(700,017,055)	(230,905,617)
Other Income (Net)	27,658,026	573,962,672	33,588,841	-	61,246,867	573,962,672
Profit Before Taxes	(162,225,342)	343,057,055	(476,544,845)	-	(638,770,188)	343,057,055
Tax Expenses	-	-	-	-	(3,544,853)	-
Net Profit for the year	(162,225,342)	343,057,055	(476,544,845)	-	(635,225,335)	343,057,055

6. Employee Benefit Plan

a. Defined contribution plans:

Amounts recognized as expenses towards contributions to provident fund by the Company are Rs. 1,486,766/- for period ended 30 September 2013 and Rs. 88,644/- for previous year ended 31 March 2012.

b. Defined benefit plans:

a) **Gratuity Plan:** The Company provides for Employee's Gratuity defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement or death while in employment or on termination of employment of an amount equivalent to fifteen days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs on completion of five years of service.

b) **Compensated absences:** Employees' entitlement to compensated absences in future periods based on unavailed leave as at balance sheet date as per the policy of the Company is expected to be a long term benefit and is actuarially valued.

The following table sets out the status of the gratuity plan for the period ended 30 September 2013 as required under AS 15 (Revised).

I. Actuarial assumptions

	Gratuity	
	Apr-12 to Sep-13	2011-12
Mortality table (LIC)	1994-95 (Ultimate)	1994-95 (Ultimate)
Discount Rate	9.10%	8.70%
Rate of Return on Plan Assets	8.50%	7.50%
Salary Escalation	9.00%	9.00%
Attrition Rate		
Age (Years)		
21-30	10%	10%
31-40	5%	5%
41-50	3%	3%
51-59	2%	2%



II. Table showing change in Benefit Obligation

	(Amount in Rs.)	
	Gratuity	
	Apr-12 to Sep-13	2011-12
Liability at the beginning of the year	4,252,219.00	2,596,476.00
Interest Cost	767,447.00	344,134.00
Current Service Cost	2,505,290.00	1,690,882.00
Past Service Cost (Non Vested Benefit)	-	-
Past Service Cost (Vested Benefit)	-	-
Settlement	-	-
Liability Transfer in	-	-
Liability Transfer out	-	-
Benefit Paid	(120,745.00)	-
Actuarial (gain) / loss on obligations	(4,273,606.00)	(379,273.00)
Liability at the end of the year	3,130,604.00	4,252,219.00

III. Table of Fair value of Plan Assets

	Gratuity	
	Apr-12 to Sep-13	2011-12
Fair Value of Plan Assets at the beginning of the year	3,236,891.00	2,175,282.00
Expected Return on Plan Assets	472,764.00	225,989.00
Contributions	-	855,852.00
Transfer from other company	-	-
Transfer to other company	-	-
Benefit Paid	(120,745.00)	-
Actuarial (gain)/loss on Plan Assets	(176,588.00)	(20,242.00)
Fair Value of Plan Assets at the end of the year	3,412,321.00	3,236,891.00
Total Actuarial (Gain) / Loss to be Recognised	-	-

IV. Recognition of Transitional Liability

	Gratuity	
	Apr-12 to Sep-13	2011-12
Transition Liability at start	-	-
Transition Liability Recognised during year	-	-
Transition Liability at end	-	-

V. Recognition of Transitional Liability

	Gratuity	
	Apr-12 to Sep-13	2011-12
Expected Return on Plan Assets	-	-
Actuarial (gain) / loss on Plan Assets	-	-
Actual Return on Plan Assets	-	-

VI. Amount Recognised in the Balance Sheet

	Gratuity	
	Apr-12 to Sep-13	2011-12
Liability at the end of the year	(281,717.00)	1,015,328.00
Fair Value of Plan Assets at the end of the year	-	-
Difference	281,717.00	(417,422.00)
Unrecognised Past Service Cost	-	-
Unrecognised Transition Liability	-	-
Amount Recognised in the Balance Sheet	281,717.00	(417,422.00)

VII. Expenses recognised during the year

	Gratuity	
	Apr-12 to Sep-13	2011-12
Current Service Cost	2,505,290.00	1,690,882.00
Interest Cost	767,447.00	344,134.00
Expected return on plan assets	(472,764.00)	(225,989.00)
Past Service Cost (Non Vested Benefit) Recognised	-	-
Past Service Cost (Vested Benefit)	-	-
Recognition of Transition Liability	-	-
Actuarial (gain) / loss	(4,097,018.00)	(359,031.00)
Expenses Recognised in Profit & Loss Account	(1,297,045.00)	1,449,996.00



VIII. Balance Sheet Reconciliation

	Gratuity	
	Apr-12 to Sep-13	2011-12
Opening Net Liability	905,594	2,596,476
Expenses as above	(1,297,045)	(1,690,882)
Employers Contribution		-
Amount recognised in Balance Sheet	(391,451)	905,594

IX. Other Details

	Gratuity	
	Apr-12 to Sep-13	2011-12
Gratuity is payable at the rate of 15 days' Salary for each year of service subject to Maximum of Rs.1000000/-		
Salary escalation is considered as advised by The company		
No of Members	79.00	79.00
Salary Per Month	16,675	16,675
Contribution for Next Year	400,000.00	2,014,097.00

X. Experience Adjustment

	Gratuity	
	Apr-12 to Sep-13	2011-12
On Plan Liability (gain) / loss	(4,107,477)	35,741

6. Leases**Asset Given on Operating Lease -**

Particulars	30.09.2013	31.03.2012
a) School Buildings' in Note 11 - Fixed Assets -		
i) Gross carrying amount as at the year end	216,226,785	61,492,262
ii) Accumulated Depreciation as at the year end	7,688,218	2,053,842
iii) Depreciation recognised in the Profit and Loss Account	5,634,376	2,053,842

b) Future Minimum Lease Income under Operating Lease are as under -

Particulars	30.09.2013	31.03.2012
Not Later than One Year	4,905,000	-
Later than One Year and not Later than Five Year	32,945,250	27,795,000
Later than Five Years	250,890,750	257,676,000

c) No contingent rents is recognised in the statement of profit and loss for the period;**d) General Terms of Lease Rentals -**

- Asset is given on Lease for a period of 33 years.
- Lease rentals are given on the basis of agreed terms.
- Lease rentals will commence from 1st January 2014.
- Lease arrangement can be renewed on mutually agreed terms with the lessee.



7. The shareholders of the Company had in July 2013 approved a Scheme of Amalgamation ("Scheme") between the Company (transferee Company) and some of its wholly owned Subsidiaries / fellow Subsidiaries viz. Alok Realtors Private Limited, Alok Land Holdings Private Limited, Alok H & A Limited, Alok Retail (India) Limited and Alok Apparels Private Limited (transferor Companies) with an Appointed date of 1 April, 2012. Alok Realtors Private Limited and Alok Land Holdings Private Limited are in the real estate business and Alok H&A Limited, Alok Retail (India) Limited and Alok Apparels Private Limited are in Textile garment cash & carry business. The scheme has been effective from 15 November, 2013, with appointed date of 1 April, 2012. Accordingly, from 1 April 2012, the real estate and cash & carry businesses of transferor Companies stood transferred to and vested in the Company on a going concern basis. In accordance with the provisions of the aforesaid Scheme:

i) The assets and liabilities of the Real estate and cash & carry businesses of transferor Companies stand transferred to the Company on a going concern basis from the "Appointed date" of 1 April, 2012, at the respective fair values as under:

Particulars of Assets and Liabilities	Alok Realtors Private Limited	Alok Land Holdings Private Limited	Alok H&A Limited	Alok Retail (India) Limited	Alok Apparels Private Limited	Total
Assets:-						
Fixed Assets	4,296,605,030	-	274,884,492	-	283,948,033	4,855,437,555
Deferred Tax Assets (Net)	-	-	-	-	89,924,901	89,924,901
Non current Investments	-	-	83,000	-	-	83,000
Long term loans and advances	10,250,000,000	249,125,000	3,345,208	73,865,340	189,897	10,576,526,445
Other Non Current Assets	-	-	69,066	-	-	69,066
Inventories	-	-	151,818,347	129,278,306	-	281,096,653
Trade Receivables	-	-	780,740,809	319,673,692	28,487,951	1,128,902,452
Cash and Cash Equivalents	22,257,978	28,852	1,080,152	1,484,137	709,885	25,561,004
Short term Loans and Advances	-	10,000	34,740,406	19,854,703	-	54,615,109
Other Current Assets	-	-	-	152,148	23,264,115	23,416,263
Total Assets (A)	14,558,863,008	249,163,852	1,246,762,480	544,318,326	426,524,782	17,035,632,448
Liabilities:-						
Long Term Borrowings	3,730,075,804	-	-	-	180,790,032	3,910,865,836
Long term liabilities	-	-	-	20,181,550	-	20,181,550
Long Term Provisions	-	-	2,714,424	-	-	2,714,424
Short Term Borrowings	-	-	950,000,000	251,373,138	298,053,000	1,499,426,138
Trade Payables	-	-	177,615,210	610,048,340	1,032,879	788,696,429
Other Current liabilities	3,643,115,550	25,661	73,670,930	16,094,462	114,875,150	3,847,781,753
Short term provisions	-	-	29,496,159	-	-	29,496,159
Share Application Money	7,182,059,299	247,446,000	-	-	-	7,429,505,299
Total Liabilities (B)	14,555,250,653	247,471,661	1,233,496,723	897,697,490	594,751,061	17,528,667,588
Net Assets (A-B)	13,612,355	1,692,191	13,265,757	-353,379,164	-168,226,279	-493,035,140

ii) There were no significant differences in accounting policies of these companies.

iii) Pursuant to the scheme:

- Immovable property (Immovable property) of the Company has been revalued by Rs. 776,50,55,529/- to Rs. 835,51,68,000/- to recognize the fair value in the accounts which has been taken to Revaluation Reserve in accordance with Accounting Standard 10 "Accounting for Fixed Assets"
- The Company has recorded provision for loss of Rs. 690,08,05,127/- as at the appointed date, arising from sales commitments / term sheets entered into by Alok Realtors Private Limited (transferor Company) in respect of its real estate assets up to 31 March 2013. Such provision for loss has been adjusted against revaluation reserve as aforesaid. Such provision for onerous obligation is written back to the profit and loss account to offset the loss arising from recording of sale transactions / valuation of inventory (to the extent of unsold stock) at net realisable value.
- The deficit in the value of the assets over the value of the liabilities of the transferor Companies vested in the company aggregating to Rs. 49,30,35,140/- after adjusting the cost of investments in shares of the transferor Companies including any further investments after the Appointed Date has been adjusted against Revaluation Reserve.

iv) Pending completion of relevant formalities of transfer of certain assets and liabilities pursuant to the scheme, such assets and liabilities remain under the name of the transferor companies.

8. During the current period, Investments in overseas subsidiaries to the tune of Rs. 69,85,28,832/- have been provided for in the books of accounts of the company on account of impairment. After consideration of the duration and severity of the impairment, as well as the reasons for the decline in value and the potential recovery periods, we believe that such impairments were "other-than-temporary" at 30 September 2013. As a result, non-cash impairment charge of Rs. 69,85,28,832/- have been provided for primarily comprising of Rs. 25,41,500/- related to investments in Alok Industries International Limited and Rs. 69,59,87,332/- in Grabal Alok International Limited as an exceptional item.

9. Deferred Tax Asset on provision created for impairment of Investment has not been recognised as there is no virtual certainty of recovery of the investment in future.

10. The company has purchased investments in the form of equity capital and cumulative redeemable preference shares in Alok Industries International Ltd ("Alok BVI") & Grabal Alok International Ltd ("Grabal BVI"), from Alok Industries Ltd, Holding Company on 30 March, 2012. Hence Alok BVI & Grabal BVI are now wholly owned subsidiaries of the company. During the previous year, vide a novation agreement, Alok Industries Ltd had taken over the obligation of Grabal Alok UK Ltd, then an associate company of Alok BVI & Grabal BVI in the United Kingdom, towards its liability pertaining to a JPY/USD foreign currency derivative entailing monthly settlement up to October 2012 with a "knock-out" feature at a stipulated JPY/USD mark. Consequent to the purchase of shares in Alok BVI and Grabal BVI from Alok Industries Ltd, the company has suo motto taken over such obligation of Alok Industries Ltd. The Company has accordingly settled the obligation for an amount of Rs. 7.45 crore.



11. The balance of debtors, creditors, loans and advances given and taken are subject to confirmation, reconciliation and adjustments if any.
12. The figures of the previous year have been reclassified / regrouped wherever necessary to correspond with those of the current period.

As per our attached report of even date

For NBS & Co.
Chartered Accountants
FRN No.110100W

Devdas Bhat
Partner
M. No. 48034

Place : Mumbai

Dated : 23 NOV 2013



For and on behalf of the Board

Ashok B. Jiwrajka

Dilip B. Jiwrajka

Surendra B. Jiwrajka

Director

Director

Director