36th ANNUAL REPORT

2022-23

ALOK
INDUSTRIES LIMITED
™ INNOVATIVE TEXTILE SOLUTIONS

Contents

ANNUAL GENERAL MEETING

DATE
22nd September, 2023

TIME
12:30 p.m.

VENUE
Victory Hall, Damanganga Valley (DGV) Resorts,
Opp. Vandhara Garden,
Naroli Road, Silvassa - 396230,
Union Territory of Dadra and Nagar Haveli.

BOARD OF DIRECTORS AND CORPORATE INFORMATION

Board of Directors

A. Siddharth
(Independent Director and Chairman of the Board)

Mumtaz Bandukwala
(Independent Director)

Rahul Dutt
(Independent Director)

Hemant Desai
(Nominee Director (Non-Executive) representing Reliance Industries Limited)

Anil Kumar Rajbanshi
(Nominee Director (Non-Executive) representing Reliance Industries Limited)

V. Ramachandran
(Nominee Director (Non-Executive) representing Reliance Industries Limited)

Nirav Parekh
(Nominee Director (Non-Executive) representing JM Financial Asset Reconstruction Company Limited)

Bankers

State Bank of India
ICICI Bank Limited
HDFC Bank Limited

Chief Executive Officer
Ram Rakesh Gaur
(w.e.f. 20th July, 2023)

Manager
Sunil O. Khandelwal
(upto 31st August, 2023)

Chief Financial Officer
Bijay Agrawal

Joint Chief Financial Officer
Vinod Sureka
(w.e.f. 20th July, 2023)

Company Secretary
Hitesh Kanani

Statutory Auditors
S R B C & CO LLP
Chartered Accountants

Secretarial Auditors
Virendra G. Bhatt
Practicing Company Secretary

Legal Advisors
ALMT Legal

Cost Auditors
B.J.D. Nanabhoy & Co.
Cost Accountants

Internal Auditors
Bhandarkar & Co.
Chartered Accountants

Listing & Code
BSE Limited (521070)

National Stock Exchange of India Limited (ALOKINDS)

Registered Office
17/5/1, 521/1, Village Rakholi/ Saily,
Silvassa-396 230,
Union Territory of Dadra and Nagar Haveli.
Tel No.: 0260-6637001
Website: www.alokind.com
Email: investor.relations@alokind.com

Corporate Office
Tower B, 2nd & 3rd Floor,
Peninsula Business Park,
Ganpatrao Kadam Marg, Lower Parel,
Mumbai-400 013,
Maharashtra, India.
Tel: +91 22 61787000

Registrar & Share Transfer Agent
Link Intime India Private Limited
C 101, 247 Park, LBS Marg,
Vikhroli (West),
Mumbai - 400083, India.
Tel: +91 022 49186000
Fax: +91 022 49186060
Email: rnt.helpdesk@linkintime.co.in

Corporate Identity Number
L17110DN1986PLC000334

ISIN for Equity Shares
INE270A01029

To the Members,

The Board of Directors present this 36th Annual Report of the Company, along with the financial statements for the Financial Year ended 31st March, 2023, in compliance with the provisions of the Companies Act, 2013, the rules and regulations framed thereunder ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("Listing Regulations").

1. FINANCIAL RESULTS:

The Company's performance (Standalone and Consolidated) for the Financial Year ended 31st March, 2023, is summarized below:

(₹ in Crore)

Particulars	Standalone		Consolidated	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Revenue from operations	6,748.32	7,150.91	6,937.29	7,309.50
Operating Profit / (Loss) before Interest, Depreciation and Taxes	(30.93)	611.61	(13.80)	610.90
Minority Interest and Share in Profit of Associates	-	-	(0.97)	(0.98)
Profit/(Loss) before Tax	(874.89)	(184.18)	(879.95)	(209.42)
Tax Expenses (including Deferred Tax)	-	-	0.51	(0.82)
Profit/(Loss) after Tax	(874.89)	(184.18)	(880.46)	(208.60)
Other Comprehensive Income	4.23	(0.50)	(112.66)	(41.95)
Total Comprehensive Income	**(870.66)**	**(184.68)**	**(993.12)**	**(250.55)**

2. TRANSFER TO RESERVES:

No amount is proposed to be transferred to Reserves.

3. DIVIDEND:

On account of the Loss After Tax reported by the Company during the Financial Year 2022-23, the Board of Directors do not recommend any dividend (previous year Nil).

The Dividend Distribution Policy of the Company approved by the Board of Directors of the Company is in line with the requirements of Listing Regulations. The Policy is available on the Company's website and can be accessed through the link: https://www.alokind.com/Investor_Relations-pdf/Policies/Dividend_Distribution_Policy.pdf.

There has been no change in the policy during the year under review.

4. RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS:

(a) The Highlights of the Company's Performance (Standalone) for the Financial Year Ended 31st March, 2023, are as under:

Total sales of the Company decreased by 5.63% to ₹6,748.32 Crore from ₹7,150.91 Crore in the previous year.

Domestic sales increased by 3.36 % to ₹5,634.73 Crore from ₹5,451.37 Crore in the previous year.

Export sales decreased by 34.48 % to ₹1,113.59 Crore from ₹1,699.54 Crore in previous year.

Operating EBITDA was negative at ₹30.93 Crore as compared to positive EBITDA of ₹611.61 Crore in the previous year.

Operating Loss Before Tax was negative at ₹874.89 Crore as compared to Loss Before Tax of ₹184.18 Crore in the previous year.

The reported Loss After Tax for the year was ₹874.89 Crore as compared to Loss After Tax of ₹184.18 Crore.

(b) The Highlights of the Company's Performance (Consolidated) for the Financial Year Ended 31st March, 2023, are as under:

The Company achieved a consolidated revenue of ₹6,937.29 Crore lower by 5.09 % as compared to consolidated revenue of ₹7,309.50 Crore in the previous year.

Operating EBITDA was negative at ₹13.80 Crore as compared to positive EBITDA of ₹610.90 Crore in the previous year.

Operating Profit Before Tax (PBT) was negative at ₹880.92 Crore as compared to negative PBT of ₹208.44 Crore in the previous year.

The reported consolidated Loss After Tax for the year was ₹880.46 Crore as compared to Loss After Tax of ₹208.60 Crore in the previous year.

A detailed analysis of financial results and operations is given in the Management Discussion and Analysis Report, which forms part of this Annual Report.

5. **CONSOLIDATED FINANCIAL STATEMENTS:**

In accordance with the provisions of the Act and Listing Regulations read with relevant Accounting Standards issued by the Institute of Chartered Accountants of India, the consolidated financial statements form part of this Annual Report. The audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries are available on the Company's website and can be accessed through the link: https://www.alokind.com/financialresult.html. These documents are also available for inspection by the Members at the Registered Office of the Company during business hours on all working days, except Saturdays, Sundays and National Holidays up to the date of the 36th Annual General Meeting ('AGM') of the Company.

6. **EROSION OF NETWORTH:**

Net worth as at 31st March, 2023 was negative at ₹17,320.72 Crore. Accumulated losses have resulted in the erosion of over 62.05 % of peak negative net worth of ₹10,688.68 Crore during the immediately preceding four Financial Years.

7. **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:**

During the year under review, the Company has not granted any loans, made any investments and provided any guarantee or security. The particulars of the loans granted, investments made and guarantee or security provided in the earlier years are given in the standalone financial statement (Refer Note 5 and 6 to the standalone financial statements).

8. **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management Discussion and Analysis Report for the year under review, as stipulated under the Listing Regulations, is presented in a separate section, which forms part of this Annual Report.

9. **CREDIT RATING:**

The details of credit ratings are disclosed in the Corporate Governance Report, which forms part of this Annual Report.

10. **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

During the year under review, no company became/ceased to be a subsidiary, joint venture or associate of the Company except the following two companies which ceased to be the subsidiaries of the Company:

- Springdale Information & Technologies Private Limited was dissolved w.e.f. 20.02.2012 vide order dated 08.06.2022 of the Hon'ble High Court of Judicature at Bombay.
- Kesham Developers & Infotech Private Limited was dissloved w.e.f. 20.02.2012 vide order dated 14.09.2022 of the Hon'ble High Court of Judicature at Bombay.

List of subsidiary, associate and joint venture of the Company as on 31st March, 2023, are as follows:

Sr. No.	Subsidiaries
1.	Alok Infrastructure Limited
2.	Alok International Inc.
3.	Alok International (Middle East) FZE
4.	Alok Global Trading (Middle East) FZE (business license cancelled on 12th September, 2017)
5.	Alok Singapore PTE Limited
6.	Alok Worldwide Limited

Sr. No.	Step-down subsidiaries
1.	Alok Industries International Limited
2.	Grabal Alok International Limited
3.	Grabal Alok (UK) Limited (under liquidation effective 10th July, 2017)
4.	Mileta, a.s.

Sr. No.	Joint Ventures
1.	New City of Bombay Manufacturing Mills Limited
2.	Aurangabad Textiles and Apparel Parks Limited

Sr. No.	Associates
	Nil

None of the above subsidiaries is a 'Material Subsidiary' as defined in the Listing Regulations. As required under Regulations 16(1)(c) of the Listing Regulations, the Board of Directors has approved the Policy for determining Material Subsidiaries ("Policy"). The details of the Policy are available on the Company's website and can be accessed through the link: https://www.alokind.com/Investor_Relations-pdf/Policies/Material_Subsidiaries.pdf. There has been no change in the policy during the year under review.

The audited financial statements including the consolidated financial statements of the Company and all other documents required to be attached thereto are available on the Company's website and can be accessed through the link: https://www.alokind.com/annualreport.html. The financial statements of the subsidiaries, as required, are available on the Company's website and can be accessed through the link: https://www.alokind.com/financialresult_financial_subsidiaries.html.

The development in business operations/ performance of the Subsidiaries/ Joint Venture, is given in Management Discussion and Analysis Report which forms part of this Annual Report.

A statement providing details of performance and salient features of the financial statements of Subsidiary/ Joint Venture companies, as per Section 129(3) of the Act, is annexed to the consolidated financial statements and therefore not repeated in this Directors' Report.

11. CORPORATE SOCIAL RESPONSIBILITY ("CSR") INITIATIVES:

The CSR Policy of the Company *inter-alia* includes CSR activities to be undertaken by the Company in line with Schedule VII of the Act. The Policy on CSR as approved by the Board of Directors (in accordance with the requirements of the Act is available on the Company's website and can be accessed through the link: https://www.alokind.com/Investor_Relations-pdf/Policies/CSR_Policy.pdf and is also annexed herewith and marked as **Annexure-1**. There has been no change in the policy during the year under review.

Pursuant to Section 135 of the Act read with CSR Policy of the Company, the Company is required to spend two percent of the average net profit of the Company for three immediately preceding financial years. As the average net profit of the Company made during the three immediately preceding financial years was negative, the Company was not required to spend any amount for the CSR purpose during the year under review.

Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, is annexed herewith and marked as **Annexure-2**.

12. RISK MANAGEMENT:

The Company, like any other enterprise, is exposed to business risk which can be internal risks as well as external risks. Any unexpected changes in regulatory framework pertaining to fiscal benefits and other related issues can affect our operations and profitability.

A key factor in determining a Company's capacity to create sustainable value is the ability and willingness of the Company to take risks and manage them effectively and efficiently. However, the Company is well aware of the above risks and as part of business strategy has put in a mechanism to ensure that they are mitigated with timely action.

The Company has an elaborate Risk Management Framework, which is designed to enable risks to be identified, assessed and mitigated appropriately. The Board of Directors of the Company has constituted Risk Management Committee which has, *inter-alia*, been entrusted with the responsibility of overseeing implementation/ monitoring of Risk Management Plan and Policy; and continually obtaining reasonable assurance from Management that all known and emerging risks have been identified and mitigated or managed.

The current constitution and role of the Risk Management Committee is in compliance with the requirements of Regulation 21 of the Listing Regulations. Pursuant to the provisions of the Act and Listing Regulations, the Company has adopted Risk Management Policy. The details of the Risk Management Policy are available on the Company's website and can be accessed through the link: https://www.alokind.com/Investor_Relations-pdf/Policies/Risk_Policy.pdf. There has been no change in the Policy during the year under review.

Further details on the Risk Management activities including the implementation of Risk Management Policy, key risks identified, and their mitigations are covered in Management Discussion and Analysis section, which forms part of this Annual Report. In the opinion of the Board of Directors, none of these risks affect and/or threaten the existence of the Company.

13. VIGIL MECHANISM AND WHISTLE – BLOWER POLICY:

Pursuant to the provisions of Section 177(9) of the Act, read with the Rules made thereunder, the Company has adopted a Whistle-Blower Policy for Directors and Employees to report genuine concerns and to provide adequate safeguards against victimization of persons who may use such mechanism. The functioning process of this mechanism has been more elaborately mentioned in the Corporate Governance Report which forms part of this Annual Report. The said Policy is available on Company's website and can be accessed through the link: https://www.alokind.com/Investor_Relations-pdf/Policies/Whistle_Blower_Policy.pdf.

14. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

i. Directors:

(a) Retirement by Rotation:

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. V. Ramachandran (DIN: 02032853), retires by rotation as a Director at the AGM and being eligible, offers himself for reappointment.

A detailed profile of Mr. V. Ramachandran along with additional information required under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings is provided separately by way of an Annexure to the Notice of the AGM.

The Nomination and Remuneration Committee and Board of Directors have recommended his reappointment for the approval of the shareholders.

(b) Changes in the Directors during the year under review:

Pursuant to the Resolution Plan approved by the National Company Law Tribunal, Ahmedabad Bench, JM Financial Asset Reconstruction Company Limited (acting in its capacity as trustee of JMFARC – March 2018 – Trust) ("JMFARC"), one of the resolution applicants and a Member holding 173,73,11,844 (34.99%) Equity Shares of the Company had vide letter dated 28th January, 2022, nominated Mr. Nirav Parekh (DIN: 09505075) as its nominee on the Board of the Company in place of Mr. Samir Chawla, who ceased to be the Director with effect from the said date on account of his resignation from the services of JMFARC.

Accordingly, the Board of Directors of the Company at its meeting held on 3rd March, 2022, based on the recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of Section 161(1) of the Act read with the Articles of Association of the Company, had approved the appointment of Mr. Nirav Parekh as Nominee Director (Non-Executive) representing JMFARC, with effect from 3rd March, 2022. Further, the said appointment was approved by the Members of the Company by way of Postal Ballot on 6th April, 2022.

ii. Key Managerial Personnel:

During the year under review, there was no change in the Key Managerial Personnel of the Company. However, subsequent to the closure of the financial year, the following changes took place in the Key Managerial Personnel of the Company:

Mr. Ram Rakesh Gaur and Mr. Vinod Sureka were appointed as Chief Executive Officer and Joint Chief Financial Officer of the Company respectively effective from 20th July, 2023. Mr. Sunil O. Khandelwal has resigned from the position of the Manager of the Company effective from the close of business hours of 31st August, 2023.

15. NUMBER OF MEETINGS OF THE BOARD:

During the Year under review, 4 (four) Board meetings were held. Further details of the meetings of the Board and its Committees are given in the Corporate Governance Report, which forms part of this Annual Report.

16. PERFORMANCE EVALUATION:

The Nomination and Remuneration Committee has specified the manner of effective evaluation of performance of the Board, its Committees and individual Directors in accordance with the provisions of Section 178 of the Act.

Accordingly, the Board has carried out an annual evaluation of its own performance, performance of the individual Directors including Independent Directors. Further, the Committees of the Board had carried out self-evaluation of its performance and the outcome was submitted to the Chairman of the Nomination and Remuneration Committee for his review.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors were carried out by the Independent Directors, who also reviewed the performance of the Board as a whole.

The terms and conditions of appointment of Independent Directors are available on the Company's website and can be accessed through the link: https://www.alokind.com/Investor_Relations-pdf/Policies/Terms_and_Conditions_of_Appointment_of_the_Independent_Directors.pdf.

17. BOARD COMMITTEES:

The composition of various Committees of the Board is in accordance with the requirements of applicable provisions of Act and Listing Regulations. As on 31st March, 2023, the composition of various Committees of the Board is as follows:

A. Audit Committee:

Name of the Director	Designation	Category
Mr. A. Siddharth	Chairman	Non-Executive Independent Director
Ms. Mumtaz Bandukwala	Member	Non-Executive Independent Director
Mr. Rahul Dutt	Member	Non-Executive Independent Director
Mr. V. Ramachandran	Member	Non-Executive Non-Independent Director

During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

B. Nomination and Remuneration Committee:

Name of the Director	Designation	Category
Mr. Rahul Dutt	Chairman	Non-Executive Independent Director
Mr. A. Siddharth	Member	Non-Executive Independent Director
Mr. Hemant Desai	Member	Non-Executive Non-Independent Director

C. Stakeholders Relationship Committee:

Name of the Director	Designation	Category
Mr. Anil Kumar Rajbanshi	Chairman	Non-Executive Non-Independent Director
Mr. A. Siddharth	Member	Non-Executive Independent Director
Ms. Mumtaz Bandukwala	Member	Non-Executive Independent Director
Mr. V. Ramachandran	Member	Non-Executive Non-Independent Director

Note: Mr. Anil Kumar Rajbanshi, a member of the Committee has been appointed as the Chairman of the Committee with effect from 20th December, 2022 in place of Mr. A. Siddharth consequent to relinquishment of Chairmanship by him on 19th December, 2022.

D. Corporate Social Responsibility and Governance Committee:

Name of the Director	Designation	Category
Ms. Mumtaz Bandukwala	Chairperson	Non-Executive Independent Director
Mr. Rahul Dutt	Member	Non-Executive Independent Director
Mr. V. Ramachandran	Member	Non-Executive Non-Independent Director

E. Risk Management Committee:

Name of the Director	Designation	Category
Ms. Mumtaz Bandukwala	Chairperson	Non-Executive Independent Director
Mr. Anil Kumar Rajbanshi	Member	Non-Executive Non-Independent Director
Mr. V. Ramachandran	Member	Non-Executive Non-Independent Director

Note: The Risk management Committee was reconstituted on 14th April, 2022. For details of the reconstitution kindly refer to the Corporate Governance Report which forms part of this Annual Report.

F. Managing Committee [Voluntary Committee]:

The Board has constituted a voluntary committee known as the 'Managing Committee' to manage the day-to-day affairs of the Company and authorised to take all such decisions and actions as may be required to be taken in the ordinary course of the business.

Name of the Director	Designation	Category
Mr. V. Ramachandran	Member	Non-Executive Non-Independent Director
Mr. Sunil O. Khandelwal	Member	Manager
Mr. Bijay Agrawal	Member	Chief Financial Officer
Mr. K. H. Gopal	Member	President, Corporate Affairs & Legal

18. DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received declarations from all the Independent Directors of the Company confirming that:

a) they meet the criteria of independence prescribed under the Act and the Listing Regulations;

b) they have registered their names in the Independent Directors' Databank.

c) they have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

In the opinion of the Board, the Independent Directors of the Company possess the requisite qualifications, experience (including proficiency), expertise and hold highest standards of integrity.

19. DIRECTORS' APPOINTMENT AND REMUNERATION POLICY:

The Board on the recommendation of the Nomination and Remuneration Committee has framed Policy for Selection of Directors and Determining Directors' Independence and Remuneration Policy for Directors, Key Managerial Personnel and Other Employees in compliance with Section 178(3) of the Act and Regulation 19 of the Listing Regulations and the same are available on the Company's website and can be accessed through the link: https://www.alokind.com/Investor_Relations-pdf/Policies/Policy_for_Selection_of_Directors_and_Determining_Directors'_Independence.pdf and https://www.alokind.com/Investor_Relations-pdf/Policies/Remuneration_Policy.pdf, respectively.

The Policy for Selection of Directors and Determining Directors' Independence sets out guiding principles for Nomination and Remuneration Committee for identifying persons who are qualified to become directors and determining directors' independence, if the person is intended to be appointed as independent director. There has been no change in the policy during the year under review.

The Remuneration Policy for Directors, Key Managerial Personnel and Other Employees sets out guiding principles for Nomination and Remuneration Committee for recommending to the Board the remuneration of Directors, Key Managerial Personnel and other employees. There has been no change in the policies during the year under review.

20. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134 of the Act, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(i) in the preparation of the annual accounts for the Financial Year ended 31st March, 2023, the applicable accounting standards read with requirements set out under Schedule III to the Act have been followed and there are no material departures from the same;

(ii) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2023 and of the losses of the Company for the Financial Year ended on that date;

(iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the Directors have prepared the annual accounts for the Financial Year ended 31st March, 2023 on a going concern basis;

(v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

(vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such system are adequate and operating effectively.

21. RELATED PARTY TRANSACTIONS:

All contracts/ arrangements/ transactions entered by the Company during the Financial Year ended 31st March, 2023 with related parties were in its ordinary course of business and on an arm's length basis. During the year under review, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the Policy of the Company on materiality of related party transactions or which is required to be reported in Form No. AOC-2 in terms of the provisions of Section 134(3)(h), Section 188 and other applicable provisions, if any, of the Act read with the Rules made thereunder.

Securities and Exchange Board of India ("SEBI") vide its notification dated 9th November, 2021, had amended certain provisions of Regulation 23 of the Listing Regulations relating to Related Party Transactions. The said amendments were effective from 1st April, 2022. Accordingly, the Company's Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions has been suitably amended. A copy of the amended Policy is available on the Company's website and can be accessed through the link: https://www.alokind.com/Investor_Relations-pdf/Policies/Policy_on_Materiality_of_RPT.pdf.

There were no materially significant related party transactions which could have potential conflict with the interests of the Company at large. Members may refer to Note 39 to the standalone financial statements which sets out related party disclosures pursuant to Ind AS.

22. INTERNAL FINANCIAL CONTROLS:

The Company has adequate system of internal financial controls to safeguard and protect the Company from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following the applicable Accounting Standards for properly maintaining the books of accounts and reporting Financial Statements.

The internal financial controls have been embedded in the business processes. Assurance on the effectiveness of internal financial controls is obtained through management reviews, continuous monitoring by functional leaders as well as testing of the internal financial control systems by the internal auditors during the course of their audits.

The Audit Committee reviews the adequacy and effectiveness of Company's Internal Controls and monitors the implementation of audit recommendations.

23. AUDITOR AND AUDITOR'S REPORT:

(a) Statutory Auditors:
S R B C & CO LLP, Chartered Accountants (ICAI FRN Reg. No. 324982E / E300003) were appointed as the Statutory Auditor of the Company for a term of 5 (five) consecutive years, at the 33rd AGM, held on 29th December, 2020. The Company has received confirmation from them to the effect that they are not disqualified from continuing as Auditors of the Company.

The Notes on financial statement referred to in the Statutory Auditor's Report are self-explanatory and do not call for any further comments. The Statutory Auditor's Report on the standalone and consolidated financial statements of the Company for the Financial Year ended 31st March, 2023, forms part of this Annual Report and does not contain any qualification, reservation or adverse remark.

(b) Cost Auditors:

Pursuant to the provisions of Section 148 of the Act, read with the Rules made thereunder, the Company has appointed B.J.D. Nanabhoy & Co., Cost Accountants, Mumbai (Reg. No. FRN-000011) to undertake the audit of the cost records of the Company for the Financial Year ended 31st March, 2023.

The remuneration payable to the Cost Auditors is required to be placed before the Members in a general meeting for their ratification and the same forms part of the Notice convening the AGM.

In accordance with the provisions of Section 148(1) of the Act, read with the Rules made thereunder, the Company has maintained cost records.

(c) Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Act, read with the Rules made thereunder, and Regulation 24A of the Listing Regulations, the Company had appointed Mr. Virendra G Bhatt, Company Secretary in Practice, (Membership No.: A 1157; Certificate of Practice No.: 124) to undertake the Secretarial Audit of the Company for the Financial Year ended 31st March, 2023. The Report given by the Secretarial Auditor is annexed herewith and marked as **Annexure-3**.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

24. CORPORATE GOVERNANCE REPORT AND CERTIFICATE:

The Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by the SEBI. In compliance with Regulation 34 read with Schedule V(C) of Listing Regulations, a report on Corporate Governance and the Certificate as required under Schedule V(E) of Listing Regulations received from the Secretarial Auditors of the Company forms part of this Annual Report.

25. COMPLIANCE OF SECRETARIAL STANDARDS:

In terms of Section 118(10) of the Act, the Company is complying with the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by Central Government with respect to Meetings of the Board of Directors and General Meetings.

26. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

In accordance with the Listing Regulations, the Business Responsibility and Sustainability Report describing the initiatives taken by the Company from an environmental, social and governance perspective is available on the Company's website and can be accessed through the link: https://www.alokind.com/Investor_Relations-pdf/Annual_Reports/BRSR_FY_22-23.pdf.

27. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The disclosure of particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required pursuant to provisions of Section 134(3)(m) of the Act, read with the Rules made thereunder, is annexed herewith and marked as **Annexure-4**.

28. ANNUAL RETURN:

The Annual Return of the Company as on 31st March, 2023, is available on the Company's website and can be accessed through the link: https://www.alokind.com/generalmeeting_annual_returns.html.

29. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place a Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH). An Internal Committee has been set up to redress and resolve the complaints arising under the POSH. Appropriate reporting mechanisms are in place for ensuring protection against sexual harassment. There has been no change in the policy during the year under review.

During the year under review, the Company has not received any complaints in this regard.

30. PARTICULARS OF EMPLOYEES:

Pursuant to Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Directors' Report. Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Directors' Report.

Having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the Members of the Company. Any Member interested in obtaining such information may write their e-mail to investor.relations@alokind.com.

31. GENERAL DISCLOSURE:

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the year under review:

a. Details relating to deposits covered under Chapter V of the Act.

b. Issue of equity shares with differential rights as to dividend, voting or otherwise.

c. Issue of shares (including sweat equity shares) to Directors & employees of the Company under any scheme.

d. None of Directors of the Company have received any remuneration or commission from any of its subsidiaries.

e. No fraud has been reported by the Auditors to the Audit Committee or the Board.

f. There has been no change in the nature of business of the Company.

g. There has been no change in the capital structure of the Company.

h. The Company has not issued any warrants, debentures, bonds or any non-convertible securities.

i. The Company has not bought back its shares, pursuant to the provisions of Section 68 of Act and the Rules made thereunder.

j. The financial statements of the Company were not revised.

k. The Company has not failed to implement any corporate action.

l. There are no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

m. There are no significant material changes and commitments affecting the financial position of the Company, which have occurred between the end of the Financial Year upto the date of this Annual Report. Further, there are no other significant development during the year which can be considered as Material.

n. There was no application made/ proceeding pending under the Insolvency and Bankruptcy Code, 2016.

o. There was no instance of one-time settlement with any Bank or Financial Institution.

32. INDUSTRIAL RELATIONS:

Industrial relations have been cordial at all the manufacturing units of the Company.

33. ACKNOWLEDGEMENTS:

The Directors express their appreciation for the sincere cooperation and assistance of Central and State Government authorities, bankers, customers, suppliers and business associates. Your Directors also wish to place on record their deep sense of appreciation for the committed services by your Company's employees. Your Directors acknowledge with gratitude, the encouragement and support extended by our valued Members.

For and on behalf of the Board of Directors
Alok Industries Limited

Place: Mumbai
Date: 19th July, 2023

A. Siddharth
Chairman

Annexure-1

CORPORATE SOCIAL RESPONSIBILITY POLICY

Being socially responsible and having ethical business practices are the tenets of Alok's corporate philosophy. In everything we do there is a strong commitment to wider all-round social progress, as well as to a sustainable development that balances the needs of the present with those of the future.

The Group's social vision has been enshrined in the three E's which have become the Guiding Principles of our CSR initiatives - Education, Empowerment and Environment & Health.

The Policy in brief:

To spend at least 2% average net profits of the Company made during the three immediately preceding Financial Years calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 ("the Act") in the sector as mentioned in Schedule VII of the Act.

To give preference to local area and areas around it where it operates, for spending the amount earmarked for corporate social responsibility activities.

List of activities to be undertaken by the Company as specified in Schedule VII of the Act:

1) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;

2) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

3) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;

4) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;

5) Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;

6) Measures for the benefit of armed forces veterans, war widows and their dependents;

7) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

8) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;

9) Rural development projects.

Annexure-2

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES

1. Brief outline on CSR Policy of the Company:

   The CSR Policy of the Company *inter-alia* includes CSR activities to be undertaken by the Company in line with Schedule VII of the Companies Act, 2013 ("the Act") read with the Rules made thereunder.

2. Composition of Corporate Social Responsibility & Governance ("CSR&G") Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR&G Committee held during the year	Number of meetings of CSR&G Committee attended during the year
1.	Ms. Mumtaz Bandukwala	Non-Executive Independent Director	01	01
2.	Mr. Rahul Dutt	Non-Executive Independent Director	01	01
3.	Mr. V. Ramachandran	Non-Executive Non-Independent Director	01	01

3. Provide the web-link where Composition of CSR&G Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: https://www.alokind.com/Investor_Relations-pdf/Policies/CSR_Policy.pdf and https://www.alokind.com/Committee_Composition.html.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) – Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any:

Sr. No.	Financial Year	Amount available for set-off from preceding Financial Years (in ₹)	Amount required to be set-off for the Financial Year, if any (in ₹)
Not Applicable			

6. Average net profit of the Company as per section 135(5): ₹ (385.89) Crore

7. (a) Two percent of average net profit of the Company as per section 135(5): ₹(7.72) Crore

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years: NIL

   (c) Amount required to be set off for the Financial Year, if any: NIL

   (d) Total CSR obligation for the Financial Year (7a+7b-7c): NIL

8. (a) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Not Applicable					

   (b) Details of CSR amount spent against ongoing projects for the Financial Year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current Financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
Not Applicable												

(c) Details of CSR amount spent against other than ongoing projects for the Financial Year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration Number
Not Applicable									

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): NIL

(g) Excess amount for set off, if any:

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	NIL
(ii)	Total amount spent for the Financial Year	NIL
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	NIL

9. (a) Details of unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding Financial Years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Not Applicable							

(b) Details of CSR amount spent in the Financial Year for ongoing projects of the preceding Financial Year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year:

(Asset-wise details).

(a) Date of creation or acquisition of the capital asset(s): Not Applicable

(b) Amount of CSR spent for creation or acquisition of capital asset: Not Applicable

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): The Company's average net profit of last three consecutive years is negative and hence the Company is not required to spend any amount on CSR activities.

Place: Mumbai
Date: 19th July, 2023

Mumtaz Bandukwala
(Chairperson - CSR&G Committee)

Rahul Dutt
(Director & Member - CSR&G Committee)

Annexure-3

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.: 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Alok Industries Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Alok Industries Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Alok Industries Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 ("audit period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Alok Industries Limited for the financial year ended 31st March, 2023 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings as applicable;

(v) The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

  (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

  Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were not applicable to the Company for the financial year ended 31st March, 2023:

  (a) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

  (b) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

  (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

  (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

  (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(vi) The management has identified and confirmed that the other laws as specifically applicable to the Company and it has proper system to comply with the applicable provisions of the respective Acts, Rules and Regulations;

  I have also examined compliance with the applicable clauses of the following and I am of the opinion that the Company has complied with the applicable provisions:-

  (a) Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India;

  (b) The Listing Agreements entered into by the Company with the BSE Limited and National Stock Exchange of India Limited.

  During the period under review, I am of the opinion that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

I further Report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.
2. The Company has given adequate notice to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except that the Board Meeting held on shorter notice and a system exists for seeking and obtaining further information and clarifications on agenda items before the Meeting and for meaningful participation at the Meeting.
3. All the decisions at the Meetings were carried out unanimously.
4. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
5. I further report that during the audit period, there were no instances of:
   i. Public / Rights / debentures / sweat equity etc.
   ii. Issue of equity shares under Employee Stock Option Scheme;
   iii. Redemption / Buy-back of securities;
   iv. Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013 which would have major bearing on the Company's affairs;
   v. Merger/ amalgamation/ reconstruction etc;
   vi. Foreign Technical Collaborations.

Auditor's Responsibility:

1. My responsibility is to only express the opinion on the compliance with the applicable laws and maintenance of Records based on audit.
2. I have conducted the audit in accordance with the applicable Auditing Standards prescribed by the Institute of Company Secretaries of India. These standards require that the Auditor comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.
3. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

Virendra G. Bhatt
Practicing Company Secretary
ACS No.: 1157 / COP No.: 124
Peer Review Cert. No.: 1439/2021
UDIN: A001157E000143585

Place: Mumbai
Date: 19th April, 2023

This report is to be read with the Annexure which forms an integral part of this report.

ANNEXURE TO THE SECRETARIAL AUDIT REPORT

To,
The Members
Alok Industries Limited

My report of even date is to be read along with this annexure:

I further report that:

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Virendra G. Bhatt
Practicing Company Secretary
ACS No.: 1157 / COP No.: 124
Peer Review Cert. No.: 1439/2021
UDIN: A001157E000143585

Place: Mumbai
Date: 19th April, 2023

Annexure-4

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO PROVISIONS OF SECTION 134 OF THE COMPANIES ACT, 2013, READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014.

A. CONSERVATION OF ENERGY:

In view of the depressed market conditions and overall economic scenario, the Company could only undertake certain subdued measures towards conservation of energy.

a) The steps taken or impact on conservation of energy:

1. Reduction of compressed air consumption by frequent audits and arresting leakages;
2. Replacement of coal fired boiler with air preheater tubes to increase efficiency of boiler;
3. Installation of VFD in PA fans and ID fans in thermic heater and feed pumps;
4. Reduction in steam consumption by fixing leakages and steam trap replacement;
5. Reduced specific power consumption of screw air compressor;
6. Heat recovery system put into operation in yarn dyeing and fabric dyeing plants;
7. Optimization of plant working as per production load;
8. Installation of VFD on process water supply pump;
9. Improvement in heat transfer efficiency of process machines heat exchangers.

b) The steps taken by the Company for utilizing alternate source of energy:

The Company is in the process of utilizing hybrid power through open access route as a renewable energy source.

c) Capital investment on energy conservation equipment:

The Company did not make any capital investment on energy conservation equipment.

B. TECHNOLOGY ABSORPTION:

(i) Efforts made towards technology absorption:

The Company has not entered into any technology agreement or collaborations.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

None

(iii) Information regarding imported technology (Imported during last three years):

The Company has not imported any technology during the last three years.

(iv) Expenditure incurred on research and development:

None

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange earned in terms of actual inflows: ₹999.59 Crore.

Foreign Exchange outflow in terms of actual outflows: ₹228.84 Crore.

For and on behalf of the Board of Directors
Alok Industries Limited

Place: Mumbai
Date: 19th July, 2023

A. Siddharth
Chairman

Alok Industries Limited ('Alok'/ 'Company') is one of India's large vertically integrated textile Company with uniqueness of integration in both Cotton and Polyester segments. In the Cotton segment, the Company is integrated right from spinning to weaving, processing, finished fabrics, bedsheets, towels and garments. In case of polyester, the integration is from continuous polymerization where PTA and MEG are used to make melt to produce polyester chips to Partially Oriented Yarn (POY), Fully Drawn Yarn (FDY), Drawn Texturized Yarn (DTY) and Polyester Staple Fiber (PSF). Alok's plants are situated at Vapi (in Gujarat) and Silvassa (part of a Union Territory near Vapi) and the Company has a wide customer base across the world that includes global retail brands, textile importers, private labels, and domestic retailers, garment and textile manufacturers and traders.

Alok, on 17th July, 2017 underwent a corporate insolvency resolution process under section 31 of the Insolvency and Bankruptcy Code, 2016. Reliance Industries Limited (RIL) along with the JM Financial Asset Reconstruction Company Limited (JMFARC) and JMFARC – March 2018 – Trust submitted a Resolution plan that was approved by the Hon'ble National Company Law Tribunal, Ahmedabad Bench (Approved Resolution Plan) vide its order dated 8th March, 2019. The implementation of the Approved Resolution Plan was concluded with the re-constitution of the Board of Directors of Alok on 14th September, 2020.

FY2023 was a challenging year in many ways. The world economy was just settling down post the COVID pandemic when the Russia-Ukraine conflict caused a disruption. The major economies of the world witnessed an unprecedented energy crisis as the energy costs of energy increased manifold in Western countries. This led to record high inflation, lower disposable income in the hands of the masses and to poor demand in these economies.

Due to the economic downturn in neighboring countries with large garment manufacturing set-ups, the Company reduced its business with them on account of the business risks involved. All these factors combined to have an adverse effect on the Company as a whole and more specifically in the downstream businesses of bedding, towels, and apparel fabrics.

In addition, the volatility in raw material prices also took a toll on the Company's operations. Cotton prices reached a record high level of ₹1,06,000/- per candy (355.56 kgs) in May 2022 and then came down to ₹61,800/- in March 2023. Though the price reduction was positive, due to subdued demand for yarn on the export front as well as from the domestic downstream industry, the prices of cotton yarn fell even more. The volatility in PTA and MEG prices, supply from Chinese market and fall in export demand affected the Polyester yarn industry bringing the margins down.

All these factors led to a loss at EBITDA level for the Company. The Company reported a negative EBITDA of ₹30 crores in FY2023 as compared to an EBITDA of ₹611 crores in FY2022. The overall sales for the Company declined by 5.6% to ₹6,748 crores for the year ended 31st March, 2023 as compared to sales of ₹7,151 crores in the previous year. The decline in sales was led by a fall of 34.5% in exports. Domestic sales increased by 3.4%.

The volatility in raw material prices and decline in export demand also impacted the overall textile industry leading to weak performance of the industry players. The impact on Alok was more pronounced as the Company had barely emerged out of an insolvency process and was trying to re-establish itself. The strong background and support of the present promoters and the synergies in group operations is enabling the Company to sustain in the challenging environment. The Company's standalone rating continues to be CARE AA representing strong business fundamentals.

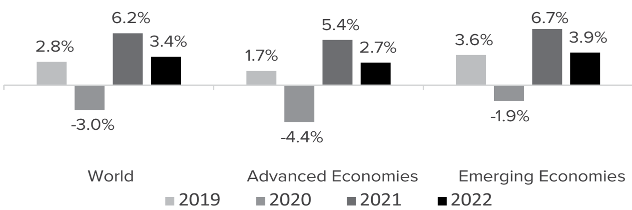
The detailed analysis of the performance of the Company has been given in Section 4 "Financial Performance".

1. Economic Overview

1.1. Global Economic Overview

The global economy witnessed lower growth rates in 2022 after significant growth in 2021. Global real GDP is estimated to have grown at 3.4% in 2022 compared to an increase of 6.2% in 2021. Emerging market GDP growth rate, though higher than the global rate, is significantly lower than the growth witnessed last year. Emerging markets grew by 3.9%, a number slightly higher than in pre-pandemic era. Advanced economies witnessed a similar trend and grew by 2.7%. Due to lower growth rates and high inflation concerns globally, there has been a slow-down in global consumption.

Figure 1: *GDP Growth Rates*



Source: International Monetary Fund (January 2023)

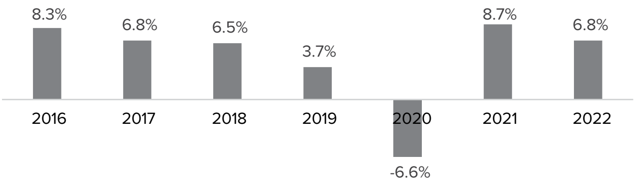
The US economy grew at the rate of 2% in the year 2022 compared to 5.9% increase in 2021. EU economy also grew by 3.5% in 2022 compared to an increase of 5.3% in 2021. However, with rising inflation and the continuing Russia-Ukraine conflict, the economic-outlook is neutral and slow to moderate growth can be expected in the year to come. EU is also witnessing a high inflation in the energy cost as the supply has been disrupted due to the Russia-Ukraine conflict. Inflation is expected to decline in the near term and positively impact global demand by the next year.

The global economy is predicted to strengthen in 2023 as inflation subsides gradually. Inflation rates in the US are expected to decline in 2023, post which, a dip in interest rates may be expected in the later quarters of the year. In the EU, major economies like Germany, Italy and Spain witnessed inflation levels surpassing 8.5% in the year 2022 which is expected to reduce within the next year. With the reopening of Chinese economy, the supply demand scenario is stabilizing and expected to improve further.

1.2. India Economic Overview

India's economy was also affected by the global macro factors; however, India has still outperformed the global average due to strong domestic demand fundamentals.. The real GDP has grown by 6.8% in 2022 compared to a growth of 8.7% in 2021. The Indian economy is expected to grow at a sustained pace with the risk of pandemic reduced especially for domestic demand. Retail inflation reached 7.79% in April 2022, above the medium-term target of 6% of the RBI. To tackle the rising prices, RBI hiked the repo rate six times in FY 2022-23, from 4% at the beginning to 6.5% at the close of the financial year.

Figure 2: *India's GDP Growth Rate*

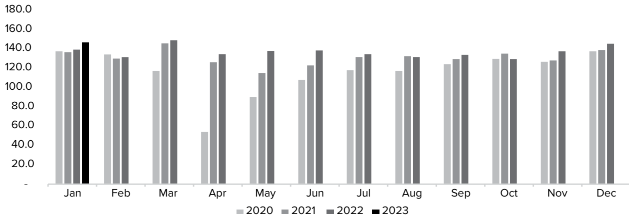


Source: International Monetary Fund

Overall Index of Industrial Production (IIP) of India as of January 2023, has been recorded at 146.4, 5.2% higher than the values in January 2022. Average overall IIP in 2022 was significantly higher than last year's average, depicting a boost in the manufacturing in India.

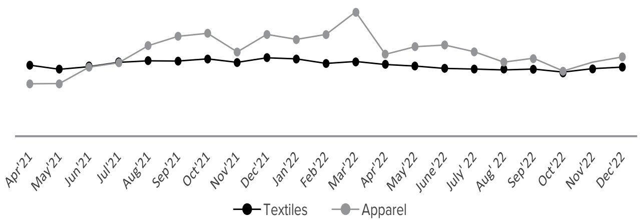
For the textile and apparel industry, manufacturing has declined in the year 2022 as a result of lower global demand. Subsequently, Index of Industrial Production (IIP) has declined by 21% for apparel and 12% for textiles in the period 21-Dec,22. The IIP levels in year 2022 have been on a gradual decline post March. The offtake for apparel in US and EU markets were subdued in 2022 as a result of high inventory build-up by US brands and retailers caused by supply chain issues. Further, inflationary pressures have slowed the market causing ripple effect on the supply chain and manufacturing. As the inflation subsides and interest rates start to decline, the demand is expected to increase and positively impact textiles and apparel manufacturing.

Figure 3: *Average Industrial Index of Production*



Source: MOSPI

Figure 4: *India's Industrial Index of Production for Textile & Apparel*



Source: MOSPI

With the increasing purchasing power and a flourishing middle-class population in India, consumer confidence index is on a constant rise and has grown from 63.7 in January 2022 to 84.8 in January 2023. To further meet demands of global buyers, the Indian government is also focusing on infrastructure spending and encouraging industries to invest through various schemes like PLI across industries, which will further facilitate growth in the economy in the future.

2. Textile & Apparel Industry Overview

2.1. Global Textile & Apparel Market Overview

The global apparel consumption in 2022 is estimated to be US$ 1.7 trillion, rising by 4% from a previous high of US$ 1.63 trillion in 2019. US continues to be the biggest market growing at a CAGR of 6% from 2019-22, followed by EU, China and India. China continues to grow at the rate of 10% and is expected to grow further at the rate of 8% until 2030 to become the largest market at US$ 450 billion by 2030 surpassing US and EU. During 2019-22, Indian Apparel Market size grew by 6% and is expected to grow at much faster rate of 9% CAGR from 2022-30 to reach apparel market size of US$ 180 billion by 2030.

The global apparel demand is expected to grow at a CAGR of 4% from the current US$ 1.7 trillion to reach ~US$ 2.4 trillion by the year 2030. It is projected that China and India will be the fastest-growing apparel markets, both growing in double digits. India will also be one of the most attractive apparel markets reaching US$ 180 billion by 2030. The high growth in these markets will be primarily driven by the economic growth and increasing disposable incomes of a large population base.

Table 1: Global Apparel Market Size (Value: US$ Bn.)

Region	2019	2020	2021	2022	CAGR 2019-22	CAGR 2022-30 (P)	2030 (P)
United States	235	177	251	276	6%	3%	350
EU-27	264	220	211	246	-2%	3%	310
China	184	166	188	244	10%	8%	450
India	78	55	80	92	6%	9%	180
Japan	101	81	78	64	-14%	3%	80
UK	69	60	78	74	2%	3%	95
Brazil	48	34	39	39	-7%	5%	60
Canada	28	17	21	24	-6%	5%	35
RoW	621	457	522	640	1%	3%	810
World	1,628	1,267	1,468	1,699	1%	4%	2,370

Source: Wazir Analysis

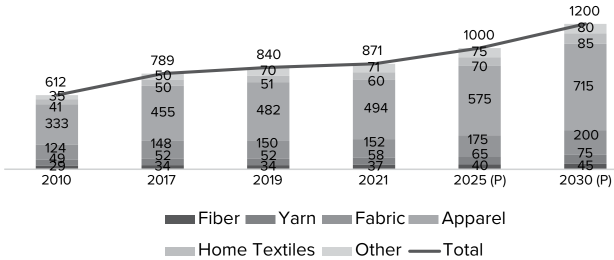
The global textile industry is undergoing a structural shift in many aspects. Some of the key trends influencing the textile and apparel industry are the following:

- Most of the major global brands have plans to become fully sustainable in their sourcing soon. Going forward it will become a non-negotiable aspect when buyers decide on their suppliers.
- The global buyers are looking for fully integrated suppliers to have better control over quality and better supply chain efficiencies along with visibility.
- The demand for synthetic textiles has continued to increase due to their better product properties like durability, water repellent nature, wrinkle resistance, color retention, and luster compared to natural fibres. Further, demand for synthetic textiles has also risen with the high growth in activewear and athleisure categories.
- The manufacturing processes and supply chain are getting digitized. Industries worldwide are adopting manufacturing processes based on automation and artificial intelligence, collectively known as Industry 4.0.
- Consumers are looking for comfortable clothing along with hygiene which has led to requirements of more functionality in garments and fabrics including different types of finishes like water repellent, anti-microbial etc., besides usage of stretch fabrics in most of the casual and activewear categories.

2.1.1.Global Textile & Apparel Trade

The Global Textile and Apparel (T&A) trade has gone through many ups and downs in the last decade due to various macroeconomic, social, and geopolitical factors. Despite several challenges, the trade has continued to grow over the years. Global T&A trade accounted for US$871 billion in 2021 growing at 3.2% CAGR since 2010. Category wise break down of the trade reveals that apparel has the largest share of 57% constituting US$494 billion. Despite several headwinds in global trade, the long-term scenario for global trade remains positive as economies are expected to rebound once the challenges are contained. Consequently, the global T&A trade is expected to reach US$1200 Billion by 2030 growing at 3.6% CAGR. The expected growth in trade offers a good opportunity for all the T&A manufacturing countries.

Figure 5: *Global T&A Trade (Value: US$ Bn.)*



Source: UN Comtrade & Wazir Analysis

2.1.2. Key Exporters

Table 2: T&A Exports (Value: US$ Bn.)

Rank	Country	Exports (2021)			Share
		Textile	Apparel	Total	
1	China	153.5	164.9	318	37%
2	Bangladesh	2.4	40.1	42.5	5%
3	India	26.3	15.2	41.5	5%
4	Germany	15.1	25.2	40.3	5%
5	Vietnam	9.1	28.7	37.8	4%
6	Italy	12.3	24.7	36.9	4%
7	Turkey	15.8	18.3	34.1	4%
8	USA	20.4	5.2	25.5	3%
9	Spain	5.3	15.4	20.7	2%
10	Netherlands	6.1	13.8	19.9	2%
	RoW	111	142	253	29%
	Total	377	494	871	

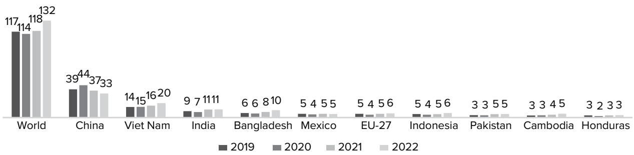
Source: UN Comtrade & Wazir Analysis

China constitutes 37% share in the global trade of textile and apparel, followed by Bangladesh and India at 5% each. However, one of the key sourcing trends recently has been buyers diversifying sourcing from China to alternate destinations to reduce their sourcing risks. The US ban on Xinjiang cotton has further incentivized buyers to look for alternate sourcing destinations. The share has mainly been taken up by Vietnam and Bangladesh. India, having a complete ecosystem, a stable political climate and well-established global position, is also being looked at as a strong alternative to China.

2.1.3. USA imports

Textile and apparel imports in the US have grown by 12% over 2021 and reached US$ 132 billion in 2022. USA's overall imports from China continue to decline and have declined by over 10% from 2021 and reached a value of US$ 33 billion. Subsequently, the share of imports from other key countries has grown significantly. While India's exports to the USA have been the same as in 2021, Vietnam and Bangladesh have seen major growth in comparison to their exports in 2021 (25% each).

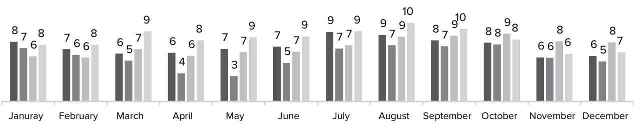
Figure 6: *Major T&A Suppliers to the USA (Value: US$ Bn.)*



Source: OTEXA

In the year 2022, US apparel store sales significantly increased over the last year. US apparel imports recovered steadily in the first 3 quarters of the calendar year; the demand however declined in the last quarter of the year.

Figure 7: *USA's Monthly T&A Imports (Value: US$ Bn.)*

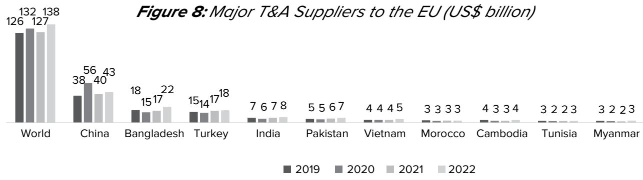


Source: OTEXA

2.1.4. EU imports

Textile and apparel imports to the EU have surpassed previous highs to reach US$ 138 billion in 2022 compared to US$ 127 billion in 2021. Exports from China to the EU has grown by 7% from US$ 40 billion in 2021 to US$ 43 billion in 2022. The imports from Bangladesh have also seen a significant growth of ~30% over 2021 to reach US$ 22 billion in 2022. The exports of Turkey and Pakistan has also witnessed a positive spike in their exports to EU.

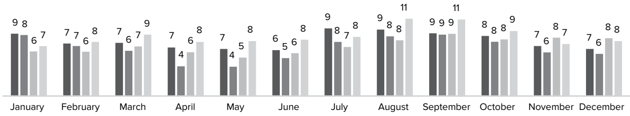
Figure 8: *Major T&A Suppliers to the EU (US$ billion)*



Source: UN Comtrade, Eurostat & Wazir Analysis

In the year 2022, EU-27 apparel imports increased compared to 2021, however imports took a hit in the last quarter of the year. Months of August, September and October witnessed the highest imports of apparel in EU.

Figure 9: *Monthly T&A Imports of the EU (Value US$ Bn.)*

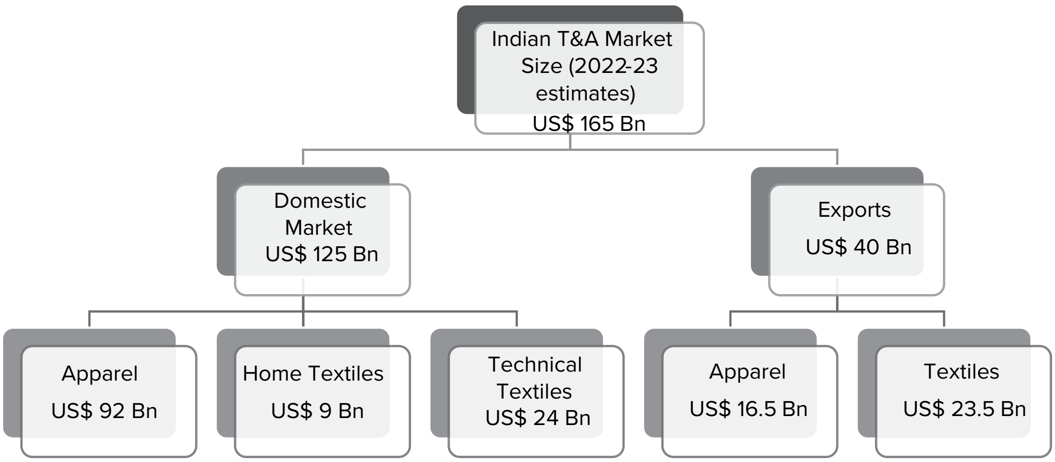


Source: UN Comtrade

2.2. Indian Textile and Apparel Industry

India's overall Textile and Apparel market is estimated at US$ 165 billion in 2022-23. The market has grown over the years due to a robust domestic demand and a fundamental and steady export position. The market is expected to grow on the back of continued growth in domestic demand and high potential growth in exports.

Figure 10: India's T&A Market

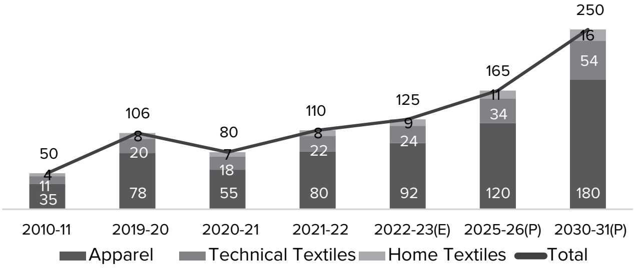


Source: Wazir Analysis

2.2.1. India's Domestic Market Scenario

The domestic textile and apparel market is currently valued at US$ 125 billion and by 2030 it is expected to grow at a 9.6% CAGR to reach US$250 billion. Apparel, which accounts for the majority of the market, is expected to grow at a rate of 9.5% CAGR, followed by Technical Textiles, which is predicted to grow at a rate of 10.5% CAGR. Home Textiles, another important constituent of the domestic T&A market, is also expected to grow and reach a substantial value of US$16 billion by 2030 growing at 8.2% CAGR.

Figure 11: *India's Domestic T&A Market (Value US$ Bn.)*

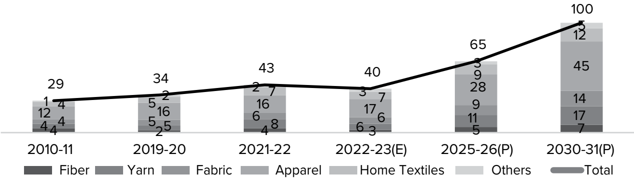


Source: Wazir Annual Industry Report FY23

2.2.2. India's Exports Scenario

The textile and apparel sector is a major contributor to India's total export earnings. Currently, it contributes to 9% of total export earnings of India. India's textile and apparel exports in 2021-22 was US$ 43 billion and is estimated to be US$ 40 billion in 2022-23. With global buyers looking for alternatives to China, India has a good opportunity to increase its global export share. Indian government is also pushing for more investments aggressively through schemes like PLI to increase the product basket and increase exports. Accordingly, India's exports are projected to reach US$ 100 billion by 2030, growing at a CAGR of 10%. India's apparel exports are forecasted to reach US$ 45 billion by 2030 growing at 12.1% CAGR since 2021 while textile exports growing at the rate of 8.2% CAGR is likely to reach US$55 billion by 2030. India's exports are anticipated to grow along with the growth in global trade and India is expected to increase its share from the current 5% to 8% by 2030.

Figure 12: India's T&A Exports (Value US$ Bn.)

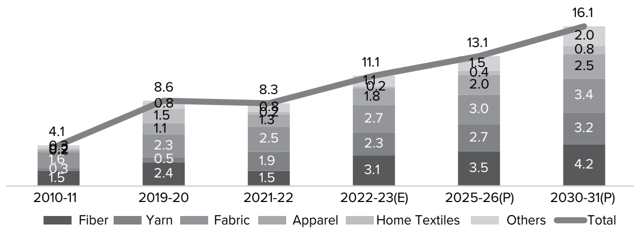


Source: DGCI&S

2.2.3. India's Imports Scenario

India's imports have been increasing over the last few years. This trend was, however also disrupted by the pandemic. India's textile & apparel import was US$ 8.6 billion in 2019-20 and is expected to be at US$ 11.3 billion in 2022-23. The imports are expected to continue to rise at a modest rate of 6% as seen from 2010 to 2021. A large part of imports comprises fibre, yarn and fabrics of synthetic fibres which are not made extensively in India.

Figure 13: *India's T&A Imports (Value: US$ Bn.)*



Source: DGCI&S

3. Alok Business Segments

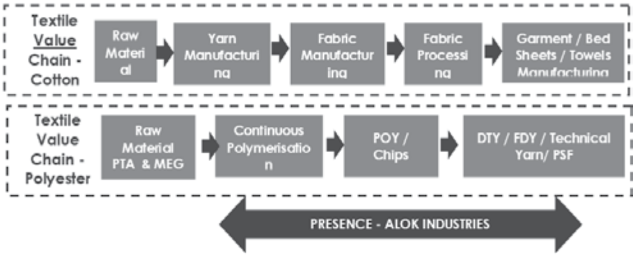
Alok Industries has a strong presence in both the Cotton and Polyester segments. In the Cotton segment, the Company is integrated from spinning to weaving, processing, finished fabrics, bedsheets, towels and garments. In case of Polyester too, the Company is fully integrated starting from continuous polymerization plant to the production of chips, POY, FDY, DTY and PSF.

The Company's vertically integrated facilities and flexibility of operations enables it to produce cotton and cotton blended fabrics in various counts and construction and a wide range of finishes. The Company's global scale integrated plants, modern manufacturing flexibility, product development team and competent marketing force facilitates a deep understanding of customer needs and its satisfactory fulfilment.

The Company has a large customer base comprising of domestic and overseas retailers, brands, and garment exporters in India and converter countries (countries which primarily do garment manufacturing like Bangladesh, Vietnam, Sri Lanka) who are vendors to major international labels. This product, customer and market diversification enables risk mitigation and places the Company at a competitive advantage over other players in the industry. Alok has also ensured that its target market is a diverse mix of the international market, garment export trade and domestic market.

The level of integration of Alok as shown in Chart below:

Alok's Business Integration in Cotton & Polyester



The Company operates under the following four divisions:

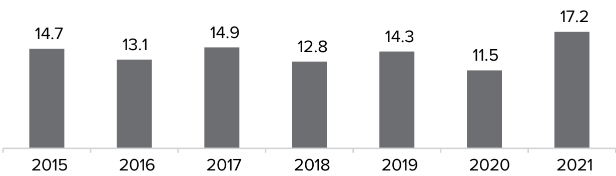
- Spinning Division
- Polyester Division
- Home Textiles Division
- Apparel and Fabric Division

Given below is a brief market overview of the key business segments of Alok i.e., Spinning, Polyester, Home textiles and Apparel and Fabric segments.

3.1 Spinning

The global trade of cotton yarn was valued at US$ 17.2 billion in 2021, an increase of ~50% over 2020. The significant increase is a result of demand recovery post Covid. Cotton prices increased significantly post covid with the surge in demand along with supply challenges, which further impacted yarn prices. However, cotton prices eased in latter half of 2022 leading to easing of yarn prices as well caused by a reduced demand in the supply chain as a result of global economic slowdown.

Figure 14: *Global Trade of Cotton Yarn (Value US$ Bn.)*



Source: UN Comtrade

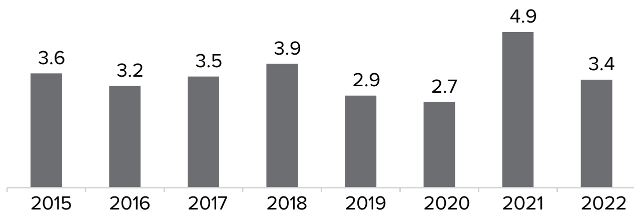
India is a leading producer of spun yarn for both natural and man-made yarn production. India has an installed capacity of 57 million spindles, producing approximately 5846 million kg of yarn in 2021-22. India is one of the largest producers and exporters of cotton yarn in the world with a production of 4092 million kgs. Overall spun yarn production has grown at 1.2% CAGR since 2019-20 despite a dip in 2020-21 during the covid pandemic peak.

Table 3: Yarn Production in India (Value: Mn Kg)

Yarn	2019-20	2020-21	2021-22	CAGR
100% Cotton Spun Yarn	3,996	3,509	4,092	1.2%
Blends and other spun Yarn	1,663	1,401	1,754	2.7%
Total Spun Yarn	**5,713**	**4,910**	**5,846**	**1.2%**

The exports stayed stagnant during the covid era but witnessed a surge in demand in the year 2021 and exports went up to US$ 4.9 billion jumping to an all-time high. Global buyers are looking for new destinations to source cotton yarn especially post the Xinjiang cotton ban on China and accordingly demand for Indian cotton yarn has also increased. However, with slowdown in global demand in 2022, India's yarn exports were impacted with reduced exports of US$ 3.4 billion in 2022.

Figure 15: *India's Cotton Yarn Exports (Value US$ Bn.)*



Source: DGCI&S

Indian spinners over the last few decades have invested extensively in bringing in the latest spinning technologies and infrastructure to India.

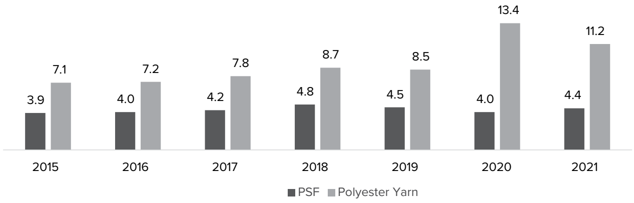
Alok is one of the major players in the Indian spinning industry with modern infrastructure and focus on research and product development. Alok's spinning plants are situated at Silvassa. Majority of the yarn (about 55% to 60%) is captively consumed in the woven fabrics, knitted fabrics, bedding and terry towel divisions.

3.2 Polyester

Globally, the demand for polyester has been soaring majorly because of two reasons; firstly, the rise in cotton prices has forced major buyers across the globe to opt for polyester blends to reduce prices and thereby target a larger set of customers. Secondly, customer demand has continued to increase in categories like athleisure, women's fashion, lingerie etc. where polyester is used extensively. As of 2022, polyester accounts for 57% of the total world fibre consumption of 103 Mn Tons/ Annum. Polyester fibre consumption is expected to grow by another 22 million tons to reach a level of 81 million tons annually and is expected to form a share of 60% of global fibre consumption of 136 million tons by 2030.

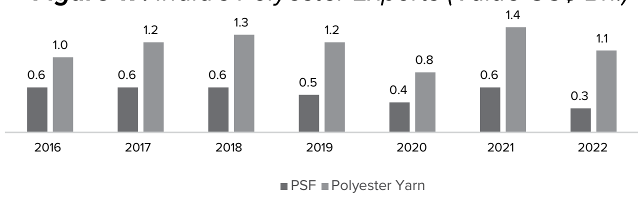
In 2021, the global trade of Polyester Staple Fibre (PSF) stood at US$ 4.4 billion and that of Polyester Yarn stood at US$ 11.2 billion. PSF has been growing at a CAGR of 2% since 2015, while Polyester yarn has been growing at a CAGR of 8%. Polyester is manufactured from crude oil derivatives and resultantly, rising oil prices due to global demand conditions and the Russia – Ukraine conflict has led to a rise in polyester prices as well.

Figure 16: *Global Polyester Trade (US$ Billion)*



Source: UN Comtrade

Figure 17: *India's Polyester Exports (Value US$ Bn.)*



Source: DGCI&S

The decrease in trade in 2022 over 2021 is a result of global economic slowdown and thus lower demand in the major consumer regions. Therefore, it is expected that as the demand goes up globally, India's exports of polyester shall rise coherently. Furthermore, India's domestic market for technical textiles, sportswear and athleisurewear is increasing at a rapid pace.

India is the second-largest producer of polyester and India's polyester exports were worth US$ 1.4 billion in 2022 (US$1.1 billion of filament yarn and US$ 0.3 billion of stable fibre). The Production Linked Incentive (PLI) Scheme launched by the Government of India is poised to increase the production of man-made fibre-based textiles and apparel in India and is expected to attract investments of up to ₹50,000 crores in the entire man-made fibre textile value chain. This will further drive the consumption of polyester in the future.

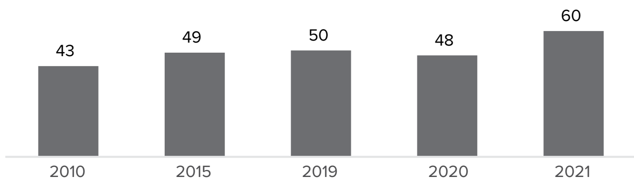
India has the presence of a complete polyester value chain in the country right from the fibre and filament producers up to finished goods producers viz. garments, technical textiles and home textiles.

Alok is amongst the top players in Polyester with a wide range of products on offer. The prime market for Alok presently is domestic with about 4%-5% of polyester yarn / PSF being consumed internally. Exports constitute about 6% of the total polyester sales.

3.3 Home Textiles

The global trade of home textiles was US$ 60 billion in 2021 increasing sharply from the 2019 value of US$ 50 billion. The year 2021 witnessed a surge in demand in the global market post the pandemic and the global trade value took a steep upward curve. Moreover, the trade of home textiles was also driven by the trends like work from home and an increase in spending for home and hygiene products post pandemic in the developed markets like US.

Figure 18: *Global Home Textiles Trade (Value US$ Bn.)*

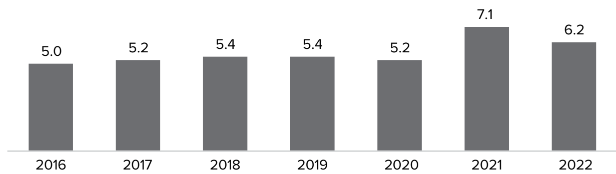


Source: UN Comtrade

The Indian home textiles/exports stood at around US$ 6.2 billion in 2022 declining significantly by 13% compared to 2021. Exports of Home textile were affected by the decreased demand due to global slowdown and inflationary concerns in the major markets. The exports are expected to bounce back once the global economy stabilises. India, over the last few years has successfully managed to build its position as a large manufacturer of home textiles in the world, only behind China, with a share of 10% in the global home textile trade.

India exports its home textiles products primarily to the EU and USA, which constitute more than 70% of India's home textiles export markets. India has a strong manufacturing ecosystem for home textiles with the presence of large and integrated players with strong capabilities which serve as a huge advantage in the post-covid world, in catering to global market requirements.

Figure 19: *India's Home Textile Exports (Value: US$ Bn)*



Source: DGCI&S

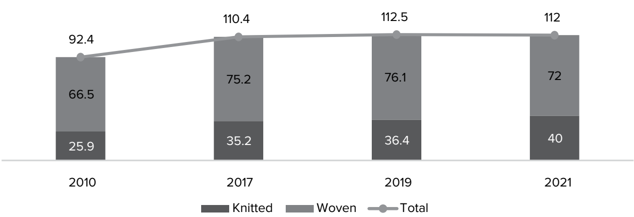
Alok is amongst the large home textile manufacturers / exporters in India and has a sizeable capacity in bedding as well as terry towels. Alok's weaving facility and main stitching unit for bedding is at Silvassa and fabric processing is at Vapi. The entire terry-towel manufacturing is at Vapi.

The major export market for home textile products for the Company is USA, which is the largest consuming centre for home products in the world. The other export destinations include European countries and Australia. The domestic market is also growing significantly and presently is about 26% of the total home textile sales of the Company.

3.4 Apparel Fabrics

The global trade of fabric has been increasing at a CAGR of 2% since 2010 and has reached US$ 112 billion. The share of woven fabrics has fallen from 72% in 2010 to 64% in 2021 and the same can be explained by increasing popularity of knitted apparel due to their comfort properties. Share of knitted apparel is further expected to grow along with growth in comfortable clothing and casual wear. China is the largest exporter of fabric exporting a total of US$ 64.8 billion worth of fabrics in the year 2021, having 58% share of the global fabric trade, followed by Italy and India with ~4% share each.

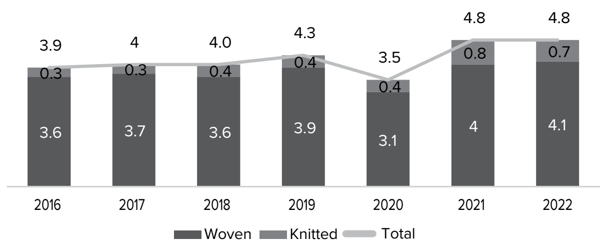
Figure 20: *Global Fabric Trade (Value: US$ Bn.)*



Source: UN Comtrade & Wazir Analysis

In 2022, India's exports of fabric were valued at US$ 4.8 billion, with woven fabric accounting for US$ 4.1 billion and knitted fabric making up US$ 0.7 billion. However, due to reduced global demand, fabric exports have remained stagnant since 2021.

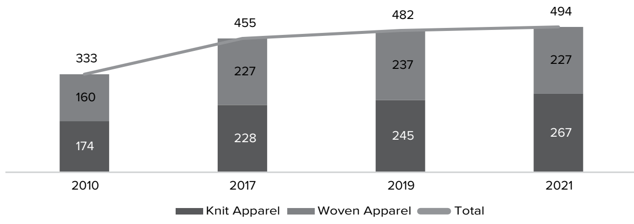
Figure 21: *Fabric Exports of India (Value US$ Bn.)*



Source: DGCI&S

Global apparel trade has been growing at a CAGR of 4% since 2010 and reached US$ 494 billion in the year 2021. A slow shift from woven to knitted apparel can be witnessed as the share of knitted apparel has grown by 2 percentage points (from 52% in 2010 to 54% in 2021). The pace of this shift is expected to be elevated as the new-age consumer is inclined towards comfort and athleisurewear. China is the largest exporter of apparel accounting for 33% of the global trade of apparel followed by Bangladesh and Vietnam at 8% and 6% respectively, with India having a share of 3%.

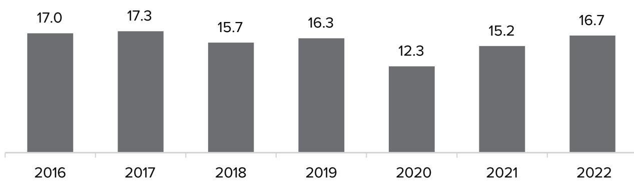
Figure 22: *Global Apparel Trade (Value US$ Bn.)*



Source: UN Comtrade & Wazir Analysis

India's apparel exports have grown from US$ 15.2 billion in 2021 to US$ 16.7 billion in 2022 and have surpassed 2019 levels. Moreover, the government is keen to support the apparel industry through several policy initiatives and the recently launched schemes like PLI and MITRA are expected to further boost the industry in apparel manufacturing and attract global buyers to India.

Figure 23: *Apparel Exports of India (Value US$ Bn.)*



Source: DGCI&S

Currently, as the world looks at India as an alternative to China, it is a great opportunity for India to capture a larger share of the global market. In order to tap the opportunity, manufacturers need to focus on attaining manufacturing excellence, setting higher quality benchmarks, timely deliveries and adoption of state-of-the-art machinery as per the buyer's requirement. Diversification to markets beyond US, EU also need to be looked at more aggressively. The growing domestic market also augurs well for the textile and apparel industry and provides sufficient scope for future growth.

Alok is a leading player in apparel fabric segment with a large and integrated set up. Its weaving, knitting, embroidery and garmenting facilities are situated at Silvassa and processing plants and one garment unit is situated at Vapi. Presently, the export market constitutes about 17% of the market for Apparel Fabric Division of the Company.

4. Financial Performance (Standalone)

During the current financial year, the market situation all around and across product segments was very challenging. Demand from the major market, USA fell considerably due to economic downturn in their economy and other major economies viz Europe and UK also faced the brunt of the Russia-Ukraine conflict. As an outcome, the demand on the export front came down sharply which impacted exports across all product segments in general and more specifically in the downstream businesses of Bedding, Towels and Apparel Fabrics. This resulted in decline in exports by 34.5% to ₹1113.6 crore as compared to exports of ₹1699.5 crore in the previous year.

The volatility in raw material prices also affected the polyester and spinning businesses where the margins came down substantially and impacted profitability of those segments.

Though the operating rate for the Company on average was ~69% as compared to the average operating rate of ~76% in the previous year, the decline in EBITDA was high due to higher impact of raw material cost which increased during the year by almost 6.8% as a percentage to sales. This was the main reason for the Company reporting loss at EBITDA level of ₹30.9 crore for the year as compared to EBITDA of ₹611.6 crore in FY 22.

Table 4 gives the summarized profit and loss statement of the Company in the current financial year compared to the previous financial year. The brief analysis of the standalone results, which relates to the textile business of the Company, is given in the table below:

Table 4: Summarized Profit and Loss Account (Standalone)

(₹ in Crore)

PROFIT & LOSS ACCOUNT	31st March, 2023	31st March, 2022
	₹ Crore	₹ Crore
Domestic Sales	5,634.73	5,451.37
Export Sales	1,113.59	1,699.54
NET SALES	6,748.32	7,150.91
Other Income	37.51	40.33
TOTAL INCOME	**6,785.83**	**7,191.24**
Material Costs	4,991.48	4,817.57
Purchase of stock in trade	14.28	-
Employee Benefits	430.94	394.92
Other Expenses - without provisions	1,363.43	1,355.25
TOTAL EXPENSES	**6,800.13**	**6,567.74**
OPERATING EBIDTA before provisions	**-14.30**	**623.50**
Other Expenses – provisions	16.63	11.89
OPERATING EBIDTA after provisions	**-30.93**	**611.61**
Depreciation	-356.30	-333.00

(₹ in Crore)

PROFIT & LOSS ACCOUNT	31st March, 2023	31st March, 2022
	₹ Crore	₹ Crore
OPERATING EBIT	**-387.23**	**278.61**
Interest & Finance Costs	-487.66	-462.79
OPERATING PBT	**-874.89**	**-184.18**
Add / (Less): Provision for Taxes	-	-
PROFIT AFTER TAX	**-874.89**	**-184.18**
Other Comprehensive Income	4.23	-0.50
Total Comprehensive Income	**-870.66**	**-184.68**

Profit and Loss Analysis

- **Net Sales** for the year were ₹6,748.32 crore comprising of domestic sales of ₹5,634.73 crore and export sales of ₹1,113.59 crore (previous year sales ₹7,150.91 crore: domestic ₹5,451.35 crore and export ₹1,699.5 crore). The sales during the year decreased by 5.6% over the previous year due to demand related challenges in the export markets owing to downturn witnessed by major economies of the World resulting from the Russia – Ukraine conflict. The exports fell by 34.5% whereas domestic sales increased by 3.4% as compared to previous year.

- **Other Income** for the year was ₹37.51 crore (previous year ₹40.33 crore). A major part of the other income comprises of gain relating to foreign currency exchange rate difference of ₹27.74 crore (previous year ₹27.14 crore), interest income on fixed deposit with banks ₹2.19 crore (previous year ₹3.26 crore), insurance claim received ₹2.26 crore (previous year ₹2.12 crore) and Sundry Credit balance written back ₹1.58 crore (previous year ₹6.86 crore), profit on sale of fixed assets ₹1.51 crore (previous year ₹0.10 crore) etc.

- **Material Cost** including purchase of stock in trade of ₹14.28 crore (previous year nil) for the current financial year was ₹5005.76 crore as compared to ₹4,817.57 crore in the previous period. As a percentage of sales, material cost increased from 67.37% in the previous period to 74.18% in the current year due to substantial increase in raw material prices both in cotton and polyester stream.

- **People Costs** in the current financial year increased to ₹430.94 crore as compared to ₹394.92 crore in the previous period. As a percentage to sales, also it increased to 6.39% in FY 2021-22 as compared to 5.52% in FY 2021-22. The total head count however, came down as on 31st March, 2023 to 22699 people as compared to 26462 as on 31st March, 2022.

- **Other Expenses (without Provisions)** in the current year were ₹1363.43 crore as compared to ₹1355.25 crore in the previous period. The major items of other expenses for the year were Power & Fuel ₹809.48 crore (previous year ₹774.61 crore), Labour charges ₹122.25 crore (previous year ₹136.73 crore), stores & spares consumed ₹113.21 crore (previous year ₹104.87 crore), freight Coolie & cartage ₹65.47 crore (previous year ₹92.56 crore), process charges ₹85.35 crore (previous year ₹68.96 crore) etc.
- **Operating Earnings before Interest, Depreciation, Tax and Amortization (EBIDTA) without provisions / impairments** for the year was loss of ₹14.30 crore as compared to profit of ₹623.5 crore in the previous year. The loss is mainly attributable to the raw material cost which as a percentage to sales increased during FY 23 by 6.8% to 74.2%. Further, there was increase in people cost as a percentage to sales by 0.86% and other expenses increased as a percentage to sales by 1.25%. Thus, EBIDTA (before provisions) as percentage to sales which was 8.72% in FY 22 became negative 0.21% in FY 23.
- **Provisions** includes provision debtors of ₹16.63 crore during the year as compared to ₹11.89 crore in the previous year which were relating to provisions on debtors and export incentives.
- **Operating Earnings before Interest, Depreciation, Tax and Amortization (EBIDTA) after provisions / impairments** for the year was loss of ₹30.9 crore as compared to profit of ₹611.6 crore in the previous year.
- **Depreciation** for the year was ₹356.3 crore as compared to ₹333.00 crore in the previous year. As a percentage to sales depreciation cost increased to 5.3% in FY 23 as compared to 4.7% in FY 22.
- **Interest & Finance Cost** for the current year was ₹487.66 crore (previous year ₹462.79 crore) comprising of interest on term loan of ₹421.09 crore (previous year ₹430.91 crore), interest on working capital of ₹19.33 crore (previous year ₹7.56 crore), interest on Preference Shares of ₹23.46 crore (previous year ₹24.32 crore) and interest to others ₹23.78 crore (previous year nil).
- **Operating PBT and PAT.** The Profit Before Tax for the year was loss of ₹874.89 crore as compared to loss of ₹184.18 crore in the previous year. Since there was no provision for Tax in both the years, the Profit After Tax for the year also was loss of ₹874.89 crore as compared to loss of ₹184.18 crore in the previous year.
- **Other Comprehensive Income** for the year was ₹4.23 crore as compared to loss of ₹0.50 crore in the previous year.
- **Net (Loss) / Profit After Other Comprehensive Income** was a loss of ₹870.66 crore in the current year against loss of ₹184.68 crore in the previous period.

Key Ratios

Table 5 gives the Key ratios of the Company (standalone).

Table 5: Key Ratios (standalone)

Sr. No.	Particulars	31 March , 2023	31 March, 2022
1	Debtors Turnover – Days	16	24
2	Inventory Turnover – Days	51	60
3	Interest Coverage	-0.03	1.35
4	Current Ratio	0.62	1.09
5a	Debt – Equity	-0.24	-0.29
5b	Debt – Equity (quasi)	13.65	4.04
6a	Operating EBIDTA Margin (%) without provisions	-0.21%	8.7%
6b	Operating EBIDTA Margin (%) after provisions	-0.46%	8.55%
7	Net Profit Margin (%)	-12.96%	-2.58%

Comments on Ratios:

- **Debtors Turnover Days:** Debtor turnover days at 16 days decreased during the year as compared to previous year debtor turnover days of 24 days. In absolute terms, debtors as on 31st March, 2023 decreased to ₹293.64 crore as compared to ₹475.11 crore as on 31st March, 2022.
- **Inventory Turnover Days:** Inventory turnover days at 51 days also decreased during the current year as compared inventory turnover days of 60 days in the previous year. In absolute terms also inventory decreased to ₹926.2 crore as compared to ₹1182.75 crore in the previous year.
- **Interest Coverage Ratio:** Our interest outgo for the year was ₹487.66 crore previous year interest ₹462.79 crore). Due to negative EBIDTA for the year of ₹14.30 crore (previous year ₹623.50 crore), the interest coverage ratio is negative 0.03, as compared to 1.35 times in the previous year.
- **Current Ratio:** The current ratio for FY 23 was 0.62 times as compared to 1.09 times in the previous year. The total current assets for the year also came down to ₹1,621.1 crore (previous year ₹2,103.28 crore). The installment of term loan due within a year for the year increased to ₹604.75 crore (₹334.84 crore in the previous year). The current liabilities for the year increased to ₹2605.35 crore, including term loan due within a year, (₹1,934.10 crore in the previous year).

- **Debt / Equity Ratio:** The Net worth of the Company in FY 23 was negative at ₹17, 320.72 crore (Previous year negative net worth of ₹16,450.05 crore). The rise in negative net worth during the year was due to loss of ₹870.66 crore (previous year loss of ₹184.68 crore). The outside long-term debt of the Company as on 31st March, 2023 net of cash and balances was ₹4,145.35 crore (Previous year ₹4,744.57 crore). The Debt / Equity ratio for the year thus was negative 0.24 as compared to negative 0.29 in the previous year.

- **Quasi- Debt / Equity Ratio:** The quasi net- worth of the Company as on 31st March, 2023 was ₹303.62 crore (previous year 1,173.33 crore). The same is arrived at by adding ₹17,384.02 crore (previous year ₹17,384.02 crore) interest free long-term loans from the promoters and long-term preference shares of ₹240.31 crore (Previous year ₹239.35 crore) subscribed by the promoters to the equity & reserves. Based on this, the quasi debt/ equity ratio as on 31st March, 2023 was 13.65 as compared to 4.04 as on 31st March, 2022.

- **Operating EBITDA before considering Provisioning:** Operating Earnings before Interest, Depreciation, Tax and Amortization (EBIDTA) without considering provisions for the year was loss of ₹14.30 crore which was negative 0.21% as a percentage to sales (previous year profit of ₹623.5 crore @ 8.72% to sales). The loss is mainly attributable to the raw material cost which as a percentage to sales increased by 6.81% to 74.18%. There was increase in people cost as a percentage to sales by 0.86% and other expenses increased as a percentage to sales by 1.25%.

- **Operating EBITDA after considering Provisioning:** Operating Earnings before Interest, Depreciation, Tax and Amortization (EBIDTA) for the year was loss of ₹30.93 crore (previous year profit of ₹611.61 crore) after considering provisioning of ₹16.63 crores (previous year provisioning of ₹11. 89 crore). As a percentage to sales, operating EBITDA was negative at 0.46% (previous year 8.55%).

- **Net (Loss) / Profit After Tax:** Net Loss After Tax was of ₹874.89 crore in the current year (previous year net loss of ₹184.18 crore). The loss from EBITDA further increased on account of depreciation for the year of ₹356.3 crore (previous year ₹333.0 crore) and interest cost of ₹487.66 crore (previous year ₹462.79 crore). The Net profit Margin for the year was negative 12.96 % as compared to negative 2.58 % in the previous year.

Cash Flows

Table 6 gives the abridged cash flow statement of the Company.

Table 6: Summarized Cash Flow Statement

(₹ Crore)

PARTICULARS	31st March, 2023	31st March, 2022
Net cash (used in) / generated from operating activities	784.46	215.72
Net cash (used in) / generated from investing activities	-30.77	-63.20
Net cash (used in) / generated from financing activities	-758.09	-323.67
Net (Decrease)/Increase in Cash and Cash equivalents	**-4.40**	**-171.15**
Cash and Cash equivalents as at year end		
At the beginning of the year	5.19	176.34
At the end of the year	0.79	5.19
Net (Decrease)/Increase in Cash and Cash equivalents	**-4.40**	**5.19**

Comments on Cash Flow:

a. **Cash Flow from Operating Activities:** During the Financial Year, Company generated negative Operating Cash flow of ₹17.64 crore (previous year ₹612.18 crore) before working capital changes). The changes in working capital by way of reduction during the year were ₹808.26 crore (Negative ₹390.63 crore in the previous year). After considering Income tax of ₹6.16 crore (previous year ₹5.84 crore), the cash flow from operation for the year is ₹784.46 crore (₹215.72 crore for previous year). The Company could generate the cash flow from operations during the year despite negative EBITDA due to reduction in net working capital achieved during the year.

b. **Cash Flow from Investing Activities:** There was a net cash utilisation of ₹30.77 crore from investing activities in March, 2023 (cash utilisation of ₹63.20 crore in March, 2022). The major utilisation was towards purchase of capital goods / maintenance capex/ CWIP during the year by the Company amounting to ₹37.89 crore (Previous year ₹103.22 crore). The major receipt during the year is proceeds from sale of assets ₹7.50 crore (previous year ₹0.16 crore). The other inflow for the year was receipt of interest of ₹1.75 crore (previous year ₹2.01 crore). The utilisation during the year towards placement of Fixed deposit with banks is ₹2.59 crore (previous year inflow of maturity of fixed deposit ₹37.60 crore).

c. **Cash Flow from Financing Activities:** The net cash used in Financing activities was ₹758.09 crore in March, 2023 as compared ₹323.67 crore cash utilisation in March, 2022. The major utilisation during the year was towards interest payment of ₹457.04 crore on the term loan, working capital and others (₹446.44 crore in March, 2022). The repayment of term loans have also started in FY 23 amounting to ₹334.84 crore (previous year nil). The inflow in financing activities during the year was working capital borrowing of ₹36.32 crore (₹122.77 crore net in previous year).

d. Cash Flow Summary: Overall, there was a net Cash utilisation of ₹4.40 crore in FY'23 (previous year cash utilisation was ₹171.15 crore).

Textiles Business: Operations Review

Overview

Alok's business comprises of a single business segment i.e., Textiles. Within Textiles, Alok's business comprises of Cotton Yarn, Apparel Fabric (Wovens, Knits & Garments), Home Textiles (Sheeting & Terry Towel), and Polyester Yarn. The division wise sales and its bifurcation into domestic and export is given in table 7 below:

Table 7: Snapshot of Alok's product-group wise sales distribution **(₹ Crore)**

PARTICULARS	12 M YTD ENDED 31ST MARCH, 2023				12 M YTD ENDED 31ST MARCH, 2022				CHANGE
	LOCAL	EXPORT	TOTAL	% TO SALES	LOCAL	EXPORT	TOTAL	% TO SALES	
COTTON YARN	534.50	20.73	555.23	8.23%	526.1	57.8	583.9	8.17%	-4.9%
APPAREL FABRIC									
WOVEN	693.03	70.21	763.24	11.31%	574.62	101.63	676.25	9.46%	12.9%
KNITTING	110.18	97.81	207.99	3.08%	144.23	146.14	290.37	4.06%	-28.4%
GARMENTS	186.02	65.45	251.47	3.73%	103.82	4.00	107.82	1.51%	133.2%
SAFETY TEXTILE	1.48	0.00	1.48	0.02%	10.53	-0.34	10.19	0.14%	-85.5%
	990.71	**233.47**	**1,224.18**	**18.14%**	**833.20**	**251.43**	**1084.63**	**15.17%**	**12.9%**
HOME TEXTILES									
BEDDING	134.39	484.65	619.04	9.17%	82.91	781.96	864.87	12.09%	-28.4%
TERRY TOWEL	81.81	131.12	212.93	3.16%	118.83	145.27	264.11	3.69%	-19.4%
	216.20	**615.77**	**831.98**	**12.33%**	**201.74**	**927.23**	**1128.98**	**15.78%**	**-26.3%**
POLYESTER YARN	3,897.63	239.31	4,136.94	61.30%	3,890.29	463.11	4,353.40	60.88%	-5.0%
TOTAL	**5,639.04**	**1,109.28**	**6,748.32**	**100.00%**	**5,451.37**	**1,699.54**	**7,150.91**	**100.00%**	**-5.6%**

Exports

Due to the global economic disturbance mainly caused by the Russia- Ukraine conflict, the demand from western markets declined. As a result, Alok's export business during the year decreased by 34.5% to ₹1,109.28 crore as against ₹1699.54 crore in the previous year.

The table below depicts the share of different regions in Alok's exports. The share of USA in overall exports basket of Alok is gradually declining over the years. However, it remained the dominant market during the year with 39.03% share in exports (Previous year 43.36%). The share of Asia is increasing year after year. It increased from 27.67% in the previous year to 34.77% in the current year. The share of Europe decreased by almost 50% during the year from 13.48% in the previous year to 6.68% in the current year. Share of African continent has increased to 13.67% in the current year as compared to 10.38% in the previous year.

Table 8: Regional Distribution of Exports

Regions	31st March, 2023			31st March, 2022		
	₹ Crore	US$ Mln	% to total	₹ Crore	US$ Mln	% to total
Africa	152.24	19.34	13.67%	176.35	23.90	10.38%
Asia	387.15	49.12	34.77%	470.20	63.84	27.67%
Asia – Pacific	4.62	0.58	0.41%	25.01	3.40	1.47%
Europe	74.43	9.54	6.68%	229.18	23.34	13.48%
North America	55.90	7.18	5.02%	45.52	6.15	2.68%
South America	4.59	0.57	0.41%	16.38	2.23	0.96%
US	434.65	55.45	39.03%	736.91	100.03	43.36%
Total	**1,113.58**	**141.78**	**100.00%**	**1,699.54**	**222.88**	**100.00%**

Manufacturing & Business Excellence:

Alok Industries Limited is an integrated textile manufacturer with operations in both cotton and polyester value chains. The Company has created world scale capacities and has a market presence in the domestic as well as export markets. It has global retailers, brands, reputed garment manufacturer and traders in its portfolio of customers.

Alok's business excellence is driven by the following strategic advantages:

- Established relationship with leading global brands and retailers
- State-of-the-art manufacturing facilities and supporting infrastructure
- Strong emphasis on Quality, Cost and Delivery (QCD)
- Economies of Scale that provide competitive advantages
- Forward and Backward integration leading to assured quality parameters across the chain
- Wide range of products across different product segments
- In-house product development and designing strength

The Company has received certification of Integrated Management System comprising of ISO 9001:2015 (QMS), ISO 14001: 2015 (EMS) and OHSAS 18001: 2007 indicating the robust systems and processes being followed by the Company. Alok is also compliant with the health, safety, and environment norms and has obtained various eco certifications for its products, as required in export markets. Details of these certifications are covered under the section "Quality, Safety, Health and Environment".

Quality, Safety, Health and Environment

1. **Quality, Safety, Health, and Environment**

   At Alok, continuous efforts at developing world class processes and quality assurance are a fundamental and non-negotiable part of the way business is conducted. There is constant focus on manufacturing and allied practices to adhere to the concept of 'get it right - first time and every time'. To achieve this, the Company's products, manufacturing processes and equipment are rigorously checked for quality standards and process deviations, if any.

   The Company's adherence to internationally recognized certification standards and compliances has been recognized by reputed certification bodies (see Table 9). Today, the Company has the following certifications/ accreditations:

Table 9: Major Certification- Divisions, Plants & Locations Covered

Certification	Division / Plant / Location
ISO 9001:2015 (QMS) ISO 14001:2015 (EMS) ISO 45001:2018(OHSAS) (Integrated Management System)	• Process House, Vapi (Normal & Wider width) • Knits Processing, Vapi • Terry Towel, Vapi • Weaving, Silvassa • CP, POY, FDY, PSF and Texturizing, Silvassa • Spinning and Knitting, Silvassa • Embroidery, Silvassa • Made Ups, Vapi • Made Ups Garments, Vapi
SMETA-Sedex Members Ethical Trade Audit WRAP- Worldwide Responsible Accreditation Program. BSCI-Business Social Compliance Initiative (Social requirements)	• SMUGMT-Vapi, Silvassa • Terry Towel, Knits processing
GOTS: Global Organic Textile Standards OCS-Organic Content Standard GRS: Global Recycle Standards. RCS: Recycled Claim Standards	• Head Office, Mumbai • Spinning & Knitting Division, Silvassa • Weaving Division, Silvassa • Process House (Normal & Wider Width), Vapi • Made ups & Garments Division, Silvassa • Knit Processing, Vapi • Terry Towel Division, Vapi • Hemming Division, Silvassa • Made-ups Division, Vapi • Embroidery Division, Silvassa • POY Units, Silvassa

Certification	Division / Plant / Location
Fair Trade- FLOCERT: Fair-trade Standard for Fibre Crops for Small Producer Organizations	• Spinning & Knitting Division, Silvassa • Weaving Division, Silvassa • Process House (Normal & Wider Width), Vapi • Made ups & Garments Division, Silvassa • Knit Processing, Vapi • Terry Towel Division, Vapi • Hemming Division, Silvassa • Made-ups Division, Vapi
OEKO Tex Standard – Product Class I & II	• Made –ups (Product Class I & II)-Conventional & Organic • Woven & Knitted Fabric (Product Class I & II) Conventional & Organic • Texturized Yarn (Product Class I)-Virgin Polyester • Cotton and blended yarn (Product Class I) Conventional & Organic • Terry Towels (Product Class I) Conventional & Organic • Garments (Product Class I) Conventional • Woven and Knitted Fabric-(Commission dying and printing) (Product Class I) • Woven & Knitted Micro Polyester (Product Class I)
STeP Certification (Sustainable Textile Production) & Made In Green Label	• Process House, Vapi (Normal & Wider width) • Knits Processing, Vapi • Terry Towel, Vapi • Made Ups, Vapi/Silvassa • Garments, Vapi/Silvassa

In addition to the certifications detailed above, Alok also holds the following certifications:

- Egyptian Cotton Certificate - License for using Cotton Egyptian
- SUPIMA Cotton Certificate- License for using Cotton Supima
- Cotton USA – License for using Cotton USA
- Cotton made in Africa (CmiA)- Mass balance yarns produced in compliance with licensed CmiA.
- IATF (International Automotive Task Force) 16949:2016 –Polyester Plant, Silvassa.
- NABL Lab Certification ISO 17025:2005 at Vapi NWP Lab.
- Silvassa SMUGMT Unit for Medical Devices- Isolation Gowns and Protective Coveralls
- Silvassa- Safety & Textile Unit for Medical Devices- Face Masks in various Fabrics and Non-Woven Masks.

Awards received by the Company:

Alok's performance, especially in exports of cotton goods and polyester yarn have been recognized through successive awards from TEXPROCIL and SRTEPC in the past for many years. For the year 2021-22, Company has received Certificate of Merit from The Synthetic & Rayon Textile Export Promotion Council for achieving growth in Export Performance.

Subsidiaries

The Company has following direct and step -down subsidiaries as given in Table 10 below.

Table 10: Subsidiaries, Step Down Subsidiaries and Joint Ventures

Sr. No.	Name of the Subsidiary	Country of Incorporation	Relationship (Subsidiary of)	% of Ownership
1	Alok Infrastructure Limited	India	Alok Industries Limited	100%
2	Alok Worldwide Limited	BVI	Alok Industries Limited	100%
3	Alok International (Middle East) FZE	Dubai	Alok Industries Limited	100%
4	Alok Singapore Pte Limited	Singapore	Alok Industries Limited	100%
5	Alok International Inc	USA	Alok Industries Limited	100%
	Step Down Subsidiaries			
1	Alok Industries International Ltd.	BVI	Alok Infrastructure Ltd.	100%
2	Grabal Alok International Ltd.	BVI	Alok Infrastructure Ltd.	100%
3	Grabal Alok UK Ltd. (Under Liquidation)	United Kingdom	Alok Industries International Ltd., BVI	99.21%
			Grabal Alok International Ltd., BVI	0.66%
4	Mileta a.s.	Czech Republic	Alok Industries International Ltd., BVI	100%
	Joint Venture Companies		(Joint Venture with)	
1	New City of Bombay Manufacturing Mills Ltd.	India	Alok Industries Limited	49%
2	Aurangabad Textiles and Apparel Parks Limited	India	Alok Industries Limited	49%

Textiles: Mileta

Through its step-down subsidiary, Alok Industries International Limited, BVI, Alok has a 100% stake in Mileta, a Czech-based fabric manufacturing Company. Mileta's facilities are located in Horice (Weaving and Administration) and Cerny Dul (Processing) in the Czech Republic.

Mileta has high end technological skill in yarn-dyed fabrics and hemming that results in higher per unit realisation. The Mileta range of products includes high quality shirting, batistes and voiles, complete line of functional table linen, bed linen and handkerchiefs. It supplies its fabrics to almost all the leading brands in Europe and USA.

For the year ended 31st March, 2023, Mileta has achieved sales of ₹190.09 crore and made a profit of ₹7.96 crore (non-operational) as compared to sales of ₹159.23 crore and loss of ₹ (8.70) crore in March 2022.

UK Retail: Store Twenty One

Alok held a 99.87% equity stake in Grabal Alok (UK) Ltd, through its step down subsidiaries Alok Industries International Limited and Grabal Alok International Limited. Grabal Alok UK used to operate the 'Store Twenty One' chain of value-format stores in UK.

Grabal Alok UK was taken under liquidation on 10th July 2017. The Company has provisioned for the entire investment.

Investment: Alok Infrastructure Limited

The Company made certain investments in the realty sector through its 100% subsidiary Alok Infrastructure Limited. The plan was to create value and monetise the same at the right opportunity. However, depressed market conditions in the real estate space resulted in the Company having to dispose off some of its assets at losses. The Company has also provided for the loans / advances to the extent not recoverable from its subsidiaries. There are no operations being carried out presently in Alok Infrastructure Limited and it had a revenue of ₹Nil for the year (Previous Year ₹0.03 crore) and loss for the year was ₹12.84 crore (Previous Year loss of ₹12.50) crore. The loss is mainly on account of interest provision on loan.

Other Subsidiaries

The other direct and step-down subsidiaries of the Company are non-operational. The performance of all of subsidiaries and step down subsidiaries are given in table 13.

Consolidated Results

Tables 11, 12 and 13 give the profit and loss highlights, balance sheet highlights and Company wise sales of Alok as a consolidated entity. The loss in consolidated accounts for the year was ₹993.12 crore (previous year loss ₹250.56) crore.

Table 11: Consolidated Profit and Loss Summary

Particulars	FY 2022-23	FY 2021-22
	Amount Crore	Amount Crore
Net Sales	6,937.29	7,309.50
Other Income	64.72	44.91
Total Income	**7,002.01**	**7,354.41**
Material Costs	5,086.06	4,884.05
Employee Benefits	491.73	449.30
Other Expenses	1,437.05	1,411.14
Total Expenses	**7,014.84**	**6,744.49**
Operating EBIDTA	**-12.83**	**609.92**
Depreciation	-364.91	-342.16
Operating EBIT	**-377.74**	**267.76**
Interest	-501.24	-476.20
Operating Profit / (Loss) Before Tax	**-878.98**	**-208.44**
Add: Provision For Taxes	-0.51	0.82
Profit / (Loss) After Tax	**-879.49**	**-207.62**
Share of Profit / (Loss) From Associates (Net)	-0.97	-0.98
Profit / (Loss)After Minority Interest	**-880.46**	**-208.60**
Other Comprehensive Income	-112.66	-41.95
Loss After Other Comprehensive Income	**-993.12**	**-250.55**

Table 12: Consolidated Balance Sheet Summary

(₹ Crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Share Holders Fund	-18,900.43	-17,907.31
Non-Current Liabilities	21,948.83	22,477.12
Current Liabilities	4,412.71	3,657.76
Total Equity and Liabilities	**7,461.11**	**8,227.57**
Non-Current Assets	5,653.47	5,961.60
Current Assets	1,807.64	2,265.97
Total Assets	**7,461.11**	**8,227.57**

Table 13: Company wise Sales & Profit / (Loss) in total Consolidated Performance

(₹ Crore)

Sr. No	Name of the Company	31.03.2023		31.03.2022	
		Sales	Profit/(Loss)	Sales	Profit/(Loss)
1	Alok Industries Limited	6,748.32	-870.68	7,150.91	-184.67
2	Alok Infrastructure Limited	-	-12.84	0.03	-12.50
3	Alok International Inc.	-	-38.46	-	-2.11
4	Mileta A.S	190.09	7.96	159.23	-8.70
5	Alok Industries International Limited	-	-169.47	-	-53.87
6	Grabal Alok International Limited	-	-62.05	-	-19.49
7	Alok World Wide Limited	-	0.11	-	0.04
8	Alok Singapore Pte Limited	-	-12.69	-	-3.99
9	Alok International (Middle East) FZE	-	-1.20	-	-0.42
	Total	**6,938.41**	**-1,159.32**	**7,310.17**	**-285.70**
	Effect of elimination entries	-1.12	166.20	-0.67	35.14
	Consolidated (Loss) / Profit	**6,937.29**	**-993.12**	**7,309.50**	**-250.56**

Human Resource

At Alok, human capital is a key business imperative. To create a work environment which nurtures performance excellence, the Company has invested in employee engagement and welfare activities by regularly undertaking employee skill development initiatives to align employees' skill sets with organizational requirements. During the year, the Company also emphasized on promoting an evolving work culture with focus on cost optimization, good governance, transparency, safety, health, diversity and inclusion, protection of environment and overall wellbeing of the employees. The Company's people practices have enabled to create an environment of collaboration and connect, which has aided in achieving cordial industrial relations.



With a total employee strength as on 31st March, 2023, including contract workers at 22,699, the Company has been continuously striving to be an "Employer of Choice" among the prospective candidates. To achieve this goal, the Company's HR Policies & Practices are continuously enhanced. As a recognition to this endeavour, the Company was adjudged as amongst Top Organisations with Innovative HR Practices in the 21st Asia Pacific HRM Congress Awards in Bengaluru on 20th September 2022.


Also, in improving gender diversity, Alok's efforts have shown positive results with increased number of women workforces, especially in the Made-up & Garments divisions. The COVID-19 pandemic had thrown new set of challenges and the Company continues to evolve in its post covid welfare activities supporting the families of the deceased employees. Alok Industries pursued vaccination coverage of over 99% of its own employees and contract workforce across all locations and businesses.



Alok's Performance Management System ('PMS') which continues to be central to the Talent Management & Review initiatives, helped in improving productivity through focused approach of assisting employees in attaining set goals. During FY 2022-23, several initiatives, such as throughput improvement, cycle time reduction, operational excellence projects, along with efforts to identify redundancy, supported the ever-evolving business needs. The Company made significant progress in simplifying processes and systems to make them more efficient and effective. Employee Productivity continued to be the focus area of the Company during the year and several initiatives to provide monetary incentives, reward and recognitions for improving work efficiency, enhanced output, attendance etc. were undertaken. Employees were also sensitised on productivity improvement through various training programs.

Further multiple initiatives on skill building of workforce were undertaken during the year both for permanent employees and contract workers. This is manifested in the fact that during FY 22-23, the total Training man-days was 5,82,734. Also, total workforce who received training coverage were 4,400 permanent employees and 2,900 contract workers, specifically in the area of improving awareness in Safety, Health & Environment standards.

To help prevent accidents & injuries, every employee and associate were provided with an overview of the Company's Safety Policies & Procedures, with necessary safety awareness trainings, information on emergency protocols, use of Personal Protective Equipment (PPE), teachings on potential safety hazards at workplace and how to avoid the normal slips, trips and falls.

In the area of spreading POSH (Prevention of Sexual Harassment) awareness, programmes for all women employees in the organization were arranged. Organizing POSH trainings was a step towards not only protecting the rights of women employees but ensuring equality at the workplace.

As part of the health initiatives Alok has been promoting Yoga among employees. This unique regular physical exercise is a union of the body & consciousness for attaining definitive peace. Every year International Yoga Day and No Tobacco Day are also celebrated across the organization. The other initiative of free employee health check-up camps helps employees monitor their health and provides them the guidance to follow healthy practices. It pushes employees to go for a healthy lifestyle, balanced diet, daily exercise, and many more healthy habits.

Employee engagement & welfare activities has been in focus for the Company, around which several initiatives such as organising Annual Health Check-up Camp, regular workshops for women on POSH (Prevention of Sexual Harassment) Awareness, Alok Annual Sports Meet, Long Service Awards for Employees and several Family Get Togethers are now part of the yearly calendar. Your Company considers employees and associates as significant assets as they possess valuable business knowledge, work experience, and problem-solving ability which are hard to replace. Hence, to reward and recognise the unique sense of ownership and commitment of these employees, various welfare functions are organised in a grand scale across Company units like rewarding & recognising - Best Employees of the Month, Long Service Awards & Annual Sports Meet, Get-together of families residing in the Company housing colonies for celebration of New Year, and festivities during Navratri, Diwali, and Holi.

To establish better Employee, connect, multiple forums & mediums were used by management, such as Central

Grievance Cell, open house session entitled "Maan Ki Baat" for workers, "Chai Pe Charcha" with senior leadership, weekly breakfast meetings at residential colony with Permanent Workers, Jobbers & Trainees etc. for two-way communication & interaction; thereby creating a platform to understand new challenges, key concerns and find redressal solutions.

Sustainable Business Practices and Corporate Social Responsibility (CSR)

At Alok, there has been a constant endeavour to actively champion a strong conscience towards all stakeholders and engaging in sustainable business practice by reducing, reusing, recycling and conservation of all natural resources. Alok remains committed to its core values on Environment, Health, Safety, Society, and Sustainability. Promoting energy efficient products, processes, and greener businesses by production and use of renewable sources of energy and recharging ground water levels, undertaking plantations, afforestation activities and conserving biodiversity, the Company has aligned its sustainability initiatives to evolve as a synchronized positive force. Your Company has also been embracing an accountable and transparent governance and leadership structure that integrates sustainability considerations into all its business decisions.

It is this underlying philosophy that shapes your Company's continuing commitment to environment sustainability and community development.

The most recent initiatives are:

- The use of Biomass briquettes of cotton seed / dust, ground nutshell / saw dust as fuel in solid fuel fired boilers for steam generation
- Recycle Polyester and Polyester Yarn waste and flakes to produce 100% recycled Polyester Fibre
- Responsibly recycling more than 60% of the waste to productive use
- Achieve 86% of water recyclability

Alok abides by the belief that innovation and sustainability will promote the journey to decarbonisation, energy efficiency and promotion of a circular economy. The Company is also aiming at reducing the carbon intensity of its operations by 50% by 2025 from the base of 2019 and plan to continue increasing its share of Good and Green products in its overall portfolio through conscientious raw material sourcing, environmentally responsible design, and greener manufacturing processes.

For the Company, the Corporate Social Responsibility (CSR) initiatives has thus far been focused on extending support to communities in and around the manufacturing units, empowering women through providing them with self-employment opportunities in the field of tailoring and engaging them in Garment manufacturing process, which can be leveraged by individual women as well as women's self-help groups (SHGs). Also, the Company has been patronising skill development initiatives though Skill Development Centre for Garment Stitching at Silvassa and supported in the establishment of a Dialysis Centre at Civil Hospital, Silvassa.

Risks & Risk Mitigation

RISK ASSOCIATED WITH THE COMPANY:

The Company is exposed to various risks which include factors such as rising competition in the market on the domestic and export fronts, duty free access to competing countries in US and European markets, uncertain business environment including conflict between Russia and Ukraine, rupee fluctuation, volatility in raw material prices and its availability, slowdown in demand and change in fashion trends, possibility of increase in interest rates, etc. Besides this the Company is also exposed to factors such as the change in government policies, duties & taxes, availability of power from the grid, availability of labour etc. The Company tries to mitigate these risks by taking quick actions and proactive initiatives to minimize the impact of these risks to the extent possible. Some of these threats are given below:

Raw material related Risk:

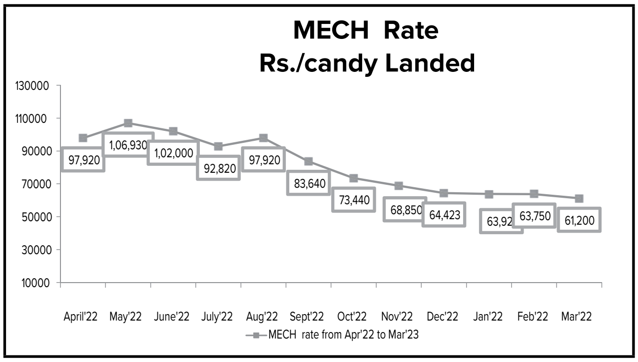
Raw material being a major cost of production, Company's operations and profitability are significantly dependent on price and timely availability of raw materials used in production process. The primary raw materials for our textile operations are raw cotton and Purified Terephthalic Acid (PTA) & Mono-Ethylene Glycol (MEG). The Company also buys cotton yarn, polyester yarn and fabrics of specifications required by customers which are not produced in its plants or in case the internal capacities are not available.

Cotton:

Being an agricultural commodity, prices of cotton are affected by a range of factors like changes in weather conditions affecting sowing, government policies and regulations. Governing taxes, tariffs, duties, subsidies, import and export restrictions on agricultural commodities, overall supply situation in the world, etc. all these influence pricing and demand supply situation in this industry. The planting of certain crops versus other uses of agricultural resources, the location and size of crop production, volume and types of imports and exports, etc. determine availability of cotton.

As the Chart below shows, cotton prices during 2022-23 saw an unprecedented increase to ₹1,06,930/- per candy (355.56 kgs) in May 2022. Thereafter it started coming down and with the arrival of new crop and lower than expected demand, the cotton prices came down to ₹61,000/ per candy in March 2023. Considering the demand trend and arrival of fresh cotton, the cotton rates are expected to come down by another ₹2000 to ₹3000 per candy.

Figure 24: Price Movement of Cotton MECH

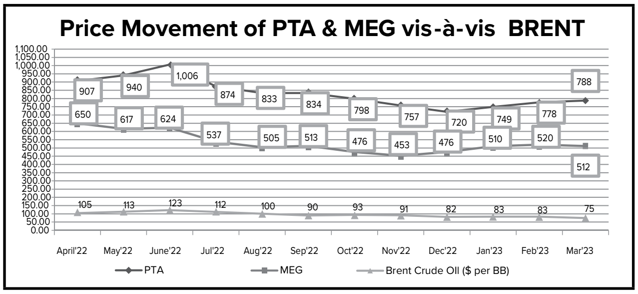


The Company has an experienced team for procurement of raw cotton with a deep understanding of this natural fibre. As a Company, we have adopted various processes whereby we are expanding our sources across different supply chain intermediaries and other stake holders. Cotton being an international commodity, our focus remains optimizing domestic and international opportunities to create a competitive edge of sourcing based on landed cost.

Polyester:

For the Company's polyester yarn operations, PTA and MEG are the major raw materials that are required in the manufacturing of Partially Oriented Yarn (POY) and other polyester yarn. Being petrochemical products, prices of PTA and MEG are linked to naphtha prices and ethylene prices, respectively, which in turn fluctuate in line with fluctuations in the crude oil prices as can be seen from the Chart below.

Figure 25: Price Movement of PTA & MEG



As can be seen from the chart, both PTA and MEG prices during the financial year 2022-23 were moving in tandem with the price of crude oil (Brent).

PTA prices moved from USD 907 per ton in April 2022 and showed a rising trend and reached a peak of USD 1006 per ton in June 2022. Thereafter it showed a downtrend and in March 2023 it was at USD 788 per ton.

MEG prices, on the other hand, was having a declining trend starting from USD 650 per ton in April 2022 and coming down to USD 512 per ton in March 2023.

Being a commodity product, the prices of finished goods like Draw Texturised Yarn (DTY) and Fully Drawn Yarn (FDY), etc. also move with the movement in raw material prices albeit with a lag on both sides.

The Company has assured supplies of PTA and MEG from Reliance Industries Limited at internationally competitive prices and on an arm's length basis.

Market related Risk:

The Company's performance also depends upon the demand situation. A slowdown in demand may lead to decline in production / sales and thus impact profitability. Similarly, Company's value-added segment of Apparel Fabrics and to some extent Home Textiles, are also subject to trends in fashion and consumer behaviour. Moreover, major international incidents such as Russia - Ukraine conflicts also impact the demand from the impacted economies.

The Company's products are sold in both domestic as well as exports markets. While the Company's major sales are in domestic market (about 75% - 80%), exports are also expected to remain a sizeable part (about 20% - 25%) of the Company's revenues.

The Company's exports markets, predominantly USA, Europe, and Asia, are very competitive with high emphasis on timely delivery. All the products of the Company are getting exported. Home textiles (bedding and towels) are the major chunk of the Company's exports constituting about 55% of the total exports.

Ability to develop products as demanded by customers and new designs development capability are critical factors for exports markets. The Company has been so far successful in meeting these demands over the years and has also won several export awards in the past instituted by the Government and Export Promotion Councils.

India no longer enjoys preferred market access in terms of concessional import duties in major exporting countries like USA & Europe. This is making countries like Bangladesh comparatively more price competitive. As a result, other nations like Bangladesh are competing aggressively to capture market share. The Company is progressively widening its markets with increasing focus on Asia and some countries in Africa to mitigate the challenges that are likely to arise in the developed markets. The Company has been able to retain key customers in USA and Europe, albeit with lower volumes. Now with completion of the necessary maintenance of its plants, the Company is confident of bringing into its fold, customers who have moved away in the last few years, given the quality of the products and capacity to supply large volumes consistently.

In the domestic market as well, the Company faces competition from organised big players and the unorganised small and fragmented players. The Company has developed a good reputation amongst the domestic traders, garment manufacturers and brands due to quality, design capabilities and cost. Further, the Company has started building relationships with large retailers (physical and online) to supply fabrics and garments. The Company's operations are now getting scaled up and it is fully prepared to meet larger volumes. The Company is confident that it would regain a preferred supplier status for big brands and retailers given the quality, design capability and the capacity to provide large volumes on a consistent basis.

The Company has been a leading supplier of polyester yarns over the years given its large capacity, the quality, and the range of its products. The Polyester operations are now fully stabilized, and the Company is re-establishing itself as a premium supplier of polyester yarn and fibre.

Financial Risk:

The Company must meet its financial obligations on time. The Company has an outstanding term loan from banks of ₹4,802 crore and working capital limits of ₹415 crore. The Company is required to meet the interest obligation on these loans periodically and also has to meet the repayment of term loan as per the terms of sanction. Moreover, the Company's loans are linked to MCLR of the sanctioning banks. Any increase in MCLR would lead to increase in interest rate for the Company on its borrowings.

The Company's present rating is AA stable (by CARE) which denotes high level of certainty of meeting debt obligations.

Information Technology Risk

Information and Technology being the major backbone of Company's overall operation and data storage / analysis, is another key risk area identified by the Company and several measures are being taken to strengthen the same and mitigate the risk associated with this.

The Company is in the process of re-implementing SAP software on a new landscape to replace the present instance, which has been functional since 2007. Testing and Training are progressing, and following core modules are expected to go live during next financial year (2023-24):

a. Sales and Distribution
b. Materials Management
c. Finance and Controlling
d. Production and Planning
e. Quality Management
f. Plant Maintenance
g. Logistics & EWM

Other modules/functions such as Human Capital Management, CRM, BI etc. are planned in phase 2.

Infrastructure, network, and applications continue to be secured through firewalls and role-based authorizations. In addition to the generator power backup provided by building facility infrastructure, multiple UPS systems installed in data Centre support power requirement for another 4-6 hours. New SAP landscape is proposed to be installed at a data Centre, which ensures redundancy and concurrent maintainability.

SAP database is secured by replicating online at different geographical locations using different technologies to mitigate risks arising out of any possible technology issues. This is done with the primary objective to achieve highest possible Recovery Point Objective (RPO). However, Recovery Time Objective (RTO) remains a constraint as the current environment does not run on a scalable infrastructure. This is considered in the new implementation as a key requirement and a much more robust database replication is being planned to ensure higher RTO.

Cyber security being a major concern for the IT ecosystem, we continue to focus on enhancing cyber security architecture which can protect our landscape from a wider range of security threats under guidance of "IRM - Governance & Risk Management, Reliance Industries Ltd". Access to computing infrastructure such as servers, workstations, network devices etc. are monitored very closely for possible security threats. Necessary controls are strengthened on a continuous basis.

Remote working is enabled for all employees who need to access Company's computing resources from anywhere through secure and controlled paths created through VPN.

Some of the improvements done during the financial year are:

- A large percentage of old and obsolete IT systems are replaced with new systems.
- Network infrastructure is being hardened to mitigate security threats (ongoing process).
- Multi-factor Authentication (MFA) is enforced in Office 365, wherever possible.
- MAC address binding is made mandatory for Wi-Fi access.
- Implemented stronger password management system across applications and devices.
- Network bandwidth is continuously optimized to ensure seamless access to applications/database from all locations.

Currency Risk

The Company is subject to currency exposure risk given its significant size of exports. The Company's imports are much lower as compared to its exports and thus as far as foreign currency payments are concerned, the Company has a natural hedge. The Company has been sanctioned a limit to hedge the currency exposure on export receivables and covers exports to the extent needed to cover open risk (net). The Company also has in place a hedging policy to mitigate currency risks. The currency risk is thus adequately mitigated.

Impact of COVID-19 Pandemic and Russia- Ukraine Conflict

The second and third wave of COVID-19 pandemic had impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, etc. However, the Company was well geared with set processes and precautionary measures and as a result there was not much impact on production and supply of goods. The threat related to pandemic is now minimal and the business is getting back to normalcy.

However, in 2022-23 world was majority impacted by the conflicts between Russia and Ukraine. The major exports markets of the Company - USA and Europe were affected by the conflict and faced inflationary pressures. This has in turn affected the demand for the Company's products in those markets. The situation is improving but in a slow pace. The Company is closely monitoring the situation and making changes in its marketing strategy to minimise the impact.

Government Policies:

The Company's business also has a threat of sudden change in government policies like policies relating to export and import of certain products, change in customs duty structure, change in export incentives, change in GST rates, etc. Similarly other government policies such as policies relating to labour etc. also have their impact in overall competitiveness of the Company as compared to the competing countries in the international markets. The Company monitors the changes in government policies on day-to-day basis and forms appropriate strategies to mitigate the impact on the Company while ensuring adequate compliances.

Outlook

The inflation in the major economies of US, Europe and UK is coming down slowly. The central banks interest rate hike scenario in those countries is also now teeming down. As a result, these economies are expected to improve gradually. Some sign of demand revival from those countries is also visible based on the recent meetings our marketing teams had with the international buyers. The cotton prices have also come down to about ₹58,000/- ₹59,000/- per candy and the crude is moving in a range bound manner. We, therefore, expect overall market situation to improve in FY 2024 and with the gradual revival of demand, our operating rates of the downstream businesses is expected to improve during the year. This along with several measures undertaken by the Company to improve quality, sales realisation and cost reduction are expected to yield positive results during the year. The strong support from our promoters RIL is also to be considered as an important factor for our solidity. We therefore look at the future optimistically.

Internal Control and Adequacy

The Company has in place a well-established framework of internal control systems which are commensurate with the size and complexity of its business. The Company has an independent internal audit function covering major areas of operations and the same is carried out by an external Chartered Accountant firm engaged for this purpose.

Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. These statements have been based on current expectations and projections about future events. Wherever possible, all precautions have been taken to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance in connection with any discussion of future performance. Such statements, however, involve known and unknown risks, significant changes in political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, interest and other costs and may cause actual results to differ materially. There is no certainty that these forward-looking statements will be realised, although due care has been taken in making these assumptions. There is no obligation to publicly update any forward-looking statements, whether related to new information, future events or otherwise.

The elements of transparency, fairness, disclosure and accountability form the cornerstone of Corporate Governance Policy at the Company. These elements are embedded in the way we operate and manage the business and operations of the Company. We value, practice and implement ethical and transparent business practices aimed at building trust amongst various stakeholders. We believe that corporate governance is a key element in improving efficiency and growth as well as enhancing investor confidence.

COMPANY'S GOVERNANCE PHILOSOPHY

The philosophy and practice of Corporate Governance can be summarised as:

- Responsible and ethical decision making;
- Transparency in all business dealings and transactions;
- Timely and accurate disclosures of information;
- Integrity of reporting;
- The protection of the rights and interests of all stakeholders;
- Effective internal control to manage elements of uncertainty and potential risks inherent in every business decision;
- The Board, employees and all concerned are fully committed to maximizing long-term value of the stakeholders and the Company;
- The Company, from time to time, positions itself to be at par with any other company with world-class operating practices.

The Company believes that Corporate Governance is a set of guidelines to help the Company to fulfil its responsibilities to all its stakeholders. The Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long term success. The Company exercises its fiduciary responsibilities in the widest sense of the term. In the same spirit, timely, transparent and accurate disclosure of information regarding the financial position, performance, ownership and governance of the Company is an important part of the Company's Corporate Governance process.

The Board of Directors, guided by the above philosophy, formulate strategies and policies having focus on optimizing value for various stakeholders like consumers, shareholders and the society at large. Your Company's Corporate Governance framework also ensures correct and timely intimation of disclosures and information as required to be disclosed under the applicable regulations.

Your Company confirms the compliance of Corporate Governance as contained in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time.

BOARD OF DIRECTORS

The members of the Board of Directors of the Company are eminent personalities from various fields who bring in a wide range of skills and experience to the Board and they are entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company.

A. COMPOSITION AND CATEGORY OF DIRECTORS

The composition of the Board is in compliance with the provisions of Section 149 of the Companies Act, 2013 ("the Act") and Regulation 17 of Listing Regulations which is as follows:

Name of the Director	DIN	Category
Mr. A. Siddharth, Chairman	00016278	Non-Executive, Independent
Ms. Mumtaz Bandukwala	07129301	Non-Executive, Independent
Mr. Rahul Dutt	08872616	Non-Executive, Independent
Mr. Hemant Desai*	00008531	Non-Executive, Non-Independent
Mr. Anil Kumar Rajbanshi*	03370674	Non-Executive, Non-Independent
Mr. V. Ramachandran*	02032853	Non-Executive, Non-Independent
Mr. Nirav Parekh**	09505075	Non-Executive, Non-Independent

*Nominee Director representing Reliance Industries Limited

**Nominee Director representing JM Financial Asset Reconstruction Company Limited

Composition Analysis

Independence		Diversity (Gender)	
Category	Percentage	Category	Percentage
Independent Directors	43	Women	14
Non-Independent Directors	57	Men	86

Tenure Analysis

Year(s)	No. of Directors
0-5	7
5-10	0

Average Tenure	Years
Board	2.4
Independent Directors	2.6
Non-Independent Directors	2.2

B. PROFILE OF DIRECTORS

A brief profile of each of the Directors as on 31st March, 2023 is as below:

- **Mr. A. Siddharth, Independent Director and Chairman of the Board**

  Mr. A. Siddharth, aged 70 years, is Non-Executive Independent Director-Chairman of the Company. Mr. Siddharth is a Commerce and Law Graduate from the Mumbai University, a fellow member of the Institute of Chartered Accountants of India and an associate member of the Institute of Company Secretaries of India. He was associated with Deloitte Haskins & Sells for over 4 decades and served as Partner for 33 years upto 2019. He has vast and varied experience in the field of Audit of domestic as well as multinational companies in sectors such as Manufacturing, Hospitality, Technology and Non-Banking Financial Services.

- **Ms. Mumtaz Bandukwala, Independent Director**

  Ms. Mumtaz Bandukwala, aged 57 years, is Non-Executive Independent Director of the Company. Ms. Bandukwala is a Commerce and Law Graduate and has been a practicing Solicitor since the last 31 years. Her specialization has mainly been in the Companies Act and Securities Laws. She has handled several mergers and private equity investments in companies in India. She has also handled arbitrations and property matters.

  Presently, she is practicing as a partner of Junnarkar & Associates, Advocates and Solicitors.

- **Mr. Rahul Dutt, Independent Director**

  Mr. Rahul Dutt, aged 46 years, is Non-Executive Independent Director of the Company. Mr. Dutt is a legal professional with bachelor's degree in Law from the Government Law College, Mumbai (2000). He has a master's degree with distinction in Law from the UK (University of Leicester, 2001). He is a member of the Bar Council of Maharashtra & Goa, and a partner in the Mumbai office of the law firm Khaitan & Co. He was recognized as a Notable Practitioner for expertise in Corporate M&A by Asia Law Profile.

  He has over 17 years of work experience with focus on mergers and acquisitions, joint ventures, infrastructures, technology licensing and business contracts across various sectors such as petrochemicals, petro-marketing, telecommunications, retail and sports.

- **Mr. Hemant Desai, Nominee Director (Non-Executive) representing Reliance Industries Limited ("RIL")**

  Mr. Hemant Desai, aged 71 years, is Non-Executive Director of the Company. Mr. Desai is Managing Director of Gujarat Chemical Port Limited ("GCPL"), a joint venture of RIL and Six PSUs of Govt. of Gujarat. GCPL has modern port infrastructure and facilities for handling 5 MMTPA and chemicals. He is part of the core leadership team at RIL for more than three decades. He is Advisor and Mentor in RIL Group leading diverse corporate initiatives of Petrochemicals Complex at Hazira and Dahej, Man-made fibres business, Jamnagar Refinery and SEZ, its related industrial infrastructure of Power, Ports, Petroleum and Gas Pipelines, Petro-Retail outlets. He is also actively involved with RIL's fast growing Consumer businesses of Retail, Jio 4G and Broadband.

  He is spearheading various business and public institutions as Chairman of Hazira Area Industries Association ("HAIA") (Hazira has attracted investments worth US$ 27 Bn), Board of Management of Hazira Notified Area and Gujarat Captive Jetty Association.

  He is a member of Governing Bodies of Deemed Universities - Auro University and Sarvjanik University, Surat Gujarat.

- **Mr. Anil Kumar Rajbanshi, Nominee Director (Non-Executive) representing RIL**

  Mr. Anil Kumar Rajbanshi, aged 66 years, is Non-Executive Director of the Company. Mr. Rajbanshi is a Director of The Synthetic & Rayon Textiles Export Promotion Council ("SRTEPC"). He is also the member of the National Committee of Textiles of CII and FICCI. He represents RIL and SRTEPC in Textiles Committee and represents RIL at Sasmira. He has many years of experience of working with major fibre producers and has been involved with the Indian Man-made fibre textiles industry since 1989.

  He was the first Indian to have been knighted in 2008 by Government of Malaysia with the title "Datuk".

- **Mr. V. Ramachandran, Nominee Director (Non-Executive) representing RIL**

  Mr. V. Ramachandran, aged 52 years, is Non-Executive Director of the Company. Mr. Ramachandran is a Commerce Graduate from the Bharathiar University and an associate member of the Institute of Chartered Accountants of India, the Institute of Cost Accountants of India and the Institute of Company Secretaries of India. He has over 26 years of work experience in audit, accounting, finance, taxation and corporate law functions across various sectors such as manufacturing, telecommunications, technology and infrastructure. He has been associated with the RIL group since 2004.

- **Mr. Nirav Parekh, Nominee Director (Non - Executive) representing JM Financial Asset Reconstruction Company Limited, JMFARC-March 2018-Trust ("JMFARC")**

  Mr. Nirav Parekh aged 38 years, is Non-Executive Director of the Company. Mr. Parekh is a Commerce Graduate and holder of Post Graduate Diploma in Management from Mumbai University. He has over 12 years of experience in the Banking and Financial Services, specialised in distressed debt investment and is associated with JM Financial Asset Reconstruction Company Limited since November 2017. He has previously been associated with Asset Reconstruction Company (India) Limited and Axis Bank Limited.

C. MEETINGS OF THE BOARD AND COMMITTEES

I. Scheduling of the Meetings

The meetings are held at regular intervals to discuss and decide on Company/ Business Policy and Strategy apart from other business. The meetings are scheduled in advance to facilitate the Directors to plan their schedule and to ensure meaningful participation in the meetings.

However, in case of a special and urgent business need, the approval of the Board/ Committee is taken by passing resolution(s) by circulation, as permitted by law, which is noted in the subsequent Board/ Committee meetings.

II. Notice and Agenda for the Meetings

Notices of the Board and Committee Meetings are sent to the Directors within the stipulated time.

The detailed agenda as approved with the relevant attachments are circulated amongst the Directors in advance. All major agenda items are backed by comprehensive background information to enable the Board/ Committee to take informed decisions. Where it is not practicable to circulate any document in advance or if the agenda is of confidential nature, the same is tabled at the meeting. In special and exceptional circumstances, consideration of additional or supplementary items is taken up in compliance with the requirements of the Secretarial Standard on Meeting of the Board of Directors. Senior Management Personnel are invited to the Board/ Committee Meeting(s) to provide additional inputs for the items being discussed by the Board/ Committees thereof as and when necessary.

Further, presentations are made on business operations as well as on various matters which the Board/ Committee wants to be apprised of.

III. Recording of the Minutes of the Meetings

The draft Minutes of the proceedings of the Meetings of the Board/Committee(s) are circulated to all the members of the Board/Committee for their perusal within the stipulated time prescribed by Secretarial Standard on Meeting of the Board of Directors. Comments, if any, received from the Directors are incorporated in the Minutes in consultation with the Chairperson.

IV. Post Meeting Follow-up

The important decisions taken at the Board/ Committee Meetings are communicated to the departments concerned promptly. Minutes of the previous meeting(s) are placed at the succeeding meeting of the Board/Board Committee for noting. Further, Action Taken Report on decisions on the previous meetings is placed at the succeeding meeting.

V. Compliance

The Company Secretary is responsible for convening of the Board and Committee Meetings and preparation of respective Agenda and recording of minutes of the meetings in compliance with all applicable laws and regulations.

D. ATTENDANCE AT BOARD MEETINGS, LAST ANNUAL GENERAL MEETING, RELATIONSHIP BETWEEN DIRECTORS INTER-SE, NO. OF OTHER DIRECTORSHIPS AND COMMITTEE MEMBERSHIP(S)/ CHAIRMANSHIP(S) OF EACH DIRECTOR IN VARIOUS COMPANIES, NO. OF SHARES/ CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS.

The Board met 4 (four) times during the year under review on 14th April, 2022, 18th July, 2022, 15th October 2022 and 18th January, 2023. The maximum time gap between any two Board Meetings was not more than 120 days as required under Regulation 17 of the Listing Regulations, Section 173 of the Act and Secretarial Standard on Meetings of the Board of Directors. The details of attendance of each Director at the Board Meetings held during the year under review and the last Annual General Meeting (AGM) along with the number of companies and committees where he/she is a Director, Member, Chairperson and the relationship between the Directors inter-se, as on 31st March, 2023, are given below:

Name of the Director	Board Meeting Attendance *		Attendance at the last AGM held on 26th July, 2022	No. of Directorship in other companies	No. of Chairmanship(s)/ Membership (s) of Committee position(s) held in other public companies	No. of shares/ convertible instruments held by non-executive directors
	Held	Attended				
Mr. A. Siddharth	4	4	Yes	9	8 (including 4 as Chairman)	Nil
Ms. Mumtaz Bandukwala	4	4	Yes	2	2	Nil
Mr. Rahul Dutt	4	4	Yes	3	3	Nil
Mr. Hemant Desai	4	3	No	1	Nil	Nil
Mr. Anil Kumar Rajbanshi	4	4	No	Nil	Nil	Nil
Mr. V. Ramachandran	4	4	No	16	Nil	Nil
Mr. Nirav Parekh	4	3	No	Nil	Nil	Nil

*Details of attendance of Directors at each Board meeting is provided in a separate table below:

Name of the Director	Board Meetings held on			
	14th April, 2022	18th July, 2022	15th October, 2022	18th January, 2023
Mr. A. Siddharth	Yes	Yes	Yes	Yes
Ms. Mumtaz Bandukwala	Yes	Yes	Yes	Yes
Mr. Rahul Dutt	Yes	Yes	Yes	Yes
Mr. Hemant Desai	Yes	Yes	No	Yes
Mr. Anil Kumar Rajbanshi	Yes	Yes	Yes	Yes
Mr. V. Ramachandran	Yes	Yes	Yes	Yes
Mr. Nirav Parekh	Yes	Yes	No	Yes

a. Directorship in other Companies excludes Foreign Companies and Section 8 Companies under the Act.

b. The Committees considered for the purpose of reckoning the Chairmanship(s)/ Membership(s) are those prescribed under Regulation 26 of the Listing Regulations.

c. All the Directors of the Company are in compliance with the provisions of the Act and Listing Regulations regarding their Directorships and Committee Membership(s) /Chairmanship(s).

d. All the Directors have made necessary disclosures regarding their directorships and the Committee positions as required under the provisions of the Act and the Listing Regulations.

e. All the Directors of the Company except Independent Directors are liable to retire by rotation.

f. There is no relationship between Directors inter-se.

The details pertaining to the directorships held by a Director of the Company in other listed companies as on 31st March, 2023, is as follows:

Name of the Director	Name of the Listed Entity	Category
Mr. A. Siddharth	Reliance Industrial Infrastructure Limited	Non-Executive Independent Director
	Indiabulls Housing Finance Limited	Non-Executive Independent Director
	DEN Networks Limited	Non-Executive Independent Director
	JM Financial Products Limited	Non-Executive Independent Director
Ms. Mumtaz Bandukwala	Nil	Nil
Mr. Rahul Dutt	DEN Networks Limited	Non-Executive Independent Director
Mr. Hemant Desai	Nil	Nil
Mr. Anil Kumar Rajbanshi	Nil	Nil
Mr. V. Ramachandran	Nil	Nil
Mr. Nirav Parekh	Nil	Nil

E. INDEPENDENT DIRECTORS

I. Confirmation by Independent Directors

All the Independent Directors have confirmed to the Board that they meet the criteria for Independence in terms of the definition of 'Independent Director' stipulated under Regulation 16(1)(b) of the Listing Regulations and Section 149 of the Act. Further, all the Independent Directors have confirmed that their names are included in the databank of Independent Directors maintained by Indian Institute of Corporate Affairs ("IICA") and have passed/ are exempted from the online proficiency self-assessment test. These confirmations have been placed before the Board. None of the Independent Directors hold office as an Independent Director in more than seven listed companies as stipulated under Regulation 17A of the Listing Regulations.

II. Confirmation by the Board

In the opinion of the Board, Independent Directors of the Company, fulfil the conditions specified in the Listing Regulations and are independent of the Management.

III. Separate Meeting of Independent Directors

As stipulated by Section 149(8) read with Schedule IV of the Act and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors of the Company was held during the year under review, without the attendance of Non-Independent Directors and members of the Management, to review the performance of the Chairman, Non-Independent Directors, various Committees of the Board and the Board as a whole. The Independent Directors also review the quality, content and timeliness of the flow of information from the Management to the Board and its Committees which is necessary to perform and discharge their duties. Such meetings are conducted to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the other Independent Directors. Independent Directors take appropriate steps to present their views to the Board.

IV. Familiarisation Programme for Independent Directors

As stipulated by Regulation 25 of the Listing Regulations, the Company familiarizes its Independent Directors on their roles, rights, responsibilities, nature of the industry in which the Company operates, business model of the Company, etc. The Independent Directors are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company. Details of such familiarization programmes for the Independent Directors are available on the Company's website and can be accessed through the link: https://www.alokind.com/Investor_Relations-pdf/Policies/Familiarisation_Programme_for_Independent_Directors.pdf.

F. SUCCESSION PLANNING

The Company has a mechanism in place for ensuring orderly succession for appointments to the Board and senior management.

G. CORE SKILLS/ EXPERTISE/ COMPETENCIES AVAILABLE WITH THE BOARD

The Board comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees.

The following skills/ expertise/ competencies have been identified for the effective functioning of the Company and are currently available with the Board:

- Leadership experience
- Strategic Planning
- Industry knowledge & experience
- Financial, Regulatory / Legal & Risk Management
- Financial Restructuring and Turn around
- Defense of Trade Remedy Measures
- Corporate Governance
- Experience and exposure in policy shaping and industry advocacy

While all the Board members possess the skills identified, their area of core expertise is given below:

Name of the Director	Category	Skills / Expertise / Competencies
Mr. A. Siddharth	Non-Executive, Independent Director and Chairman of the Board	Leadership Strategic Planning Industry knowledge & experience Financial, Regulatory / Legal & Risk Management Corporate Governance Experience and exposure in policy shaping and industry advocacy
Ms. Mumtaz Bandukwala	Non-Executive, Independent Director	Leadership Financial, Regulatory / Legal & Risk Management Corporate Governance
Mr. Rahul Dutt	Non-Executive, Independent Director	Leadership Strategic Planning Industry knowledge & experience Financial, Regulatory/ Legal & Risk Management Corporate Governance Experience and exposure in policy shaping and industry advocacy
Mr. Hemant Desai	Nominee Director (Non-Executive) representing RIL	Leadership Strategic Planning Industry knowledge & experience Financial, Regulatory / Legal & Risk Management Corporate Governance Experience and exposure in policy shaping and industry advocacy
Mr. Anil Kumar Rajbanshi	Nominee Director (Non-Executive) representing RIL	Leadership Strategic Planning Industry knowledge & experience Financial, Regulatory / Legal & Risk Management Corporate Governance Experience and exposure in policy shaping and industry advocacy Defense of Trade Remedy Measures
Mr. V. Ramachandran	Nominee Director (Non-Executive) representing RIL	Leadership Strategic Planning Industry knowledge & experience Financial, Regulatory / Legal & Risk Management Corporate Governance
Mr. Nirav Parekh	Nominee Director (Non-Executive) representing JMFARC	Leadership Strategic Planning Financial Restructuring and Turn arounds Corporate Governance

BOARD COMMITTEES

Establishing Committees is one way of managing the work of the Board, thereby strengthening the Board's governance role. These Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/ activities. The Board has constituted a set of Committees with specific terms of reference/ scope, to focus effectively on the issues and ensure expedient resolution of diverse matters. These Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Chairperson of the respective Committee informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the Meetings of all Committees are placed before the Board for discussions/ noting. The Board Committees can request special invitees to join the meeting, as appropriate.

As at 31st March 2023, the Company has the following Committees of the Board:

a. Audit Committee

b. Nomination and Remuneration Committee

c. Stakeholders Relationship Committee

d. Corporate Social Responsibility and Governance Committee

e. Risk Management Committee

a. AUDIT COMMITTEE

❖ **Composition**

The Audit Committee as on 31st March, 2023 comprises of Mr. A. Siddharth (Chairman of the Committee), Ms. Mumtaz Bandukwala, Mr. Rahul Dutt and Mr. V. Ramachandran. As on 31st March, 2023, the composition of the Audit Committee conforms to the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations. The Company Secretary acts as the Secretary to the Committee.

❖ **Meetings and Attendance**

The Audit Committee met 5 (five) times during the year under review on 14th April, 2022, 13th May, 2022, 18th July, 2022, 15th October 2022 and 18th January, 2023. The maximum gap between any two meetings of the Audit Committee of the Company was not more than 120 days as specified under Regulation 18 of the Listing Regulations. The attendance of each Committee member is as follows:

Name of the Director	Number of meetings during the Financial Year 2022-23	
	Held	Attended
Mr. A. Siddharth	05	05
Ms. Mumtaz Bandukwala	05	05
Mr. Rahul Dutt	05	05
Mr. V. Ramachandran	05	05

The representatives of Statutory Auditors are permanent invitees to the Audit Committee meetings held quarterly, to approve financial statement. Further, Mr. Sunil O. Khandelwal, Manager, Mr. Bijay Agrawal, Chief Financial Officer and Mr. K.H. Gopal, President (Corporate Affairs & Legal) are also the permanent invitees to the Audit Committee Meetings. In addition, representatives of Internal Auditors & Cost Auditors and other Executives of the Company, as are considered necessary, attend these Meetings. The Chairman of the Audit Committee was present at the 35th AGM of the Company held on 26th July, 2022.

❖ **Terms of Reference**

The terms of reference of the Audit Committee are wide enough to cover the role specified for the said Committee under Section 177 of the Act and Regulation 18 of the Listing Regulations. The same are constantly reviewed and appropriate changes are made from time to time for greater effectiveness of the Committee. The terms of reference of the Committee are as follows:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommend appointment, remuneration and terms of appointment of auditors, including cost auditors, of the Company.
- Approval of payment to statutory auditors, including cost auditors, for any other services rendered by them.
- Review with the management, the annual financial statements and auditor's report thereon before submission to the Board for its approval, with particular reference to:
  a. matters required to be included in the Directors' responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

b. changes, if any, in accounting policies and practices and reasons for the same;

c. major accounting entries involving estimates based on the exercise of judgement by management;

d. significant adjustments made in the financial statements arising out of audit findings;

e. compliance with listing and other legal requirements relating to financial statements;

f. disclosure of any related party transactions;

g. modified opinion(s) in the draft audit report.

- Review with the management, the quarterly financial statements before submission to the Board for approval.
- Review with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for the purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, or preferential issue or qualified institutional placement, and making appropriate recommendations to the Board to take up steps in this matter.
- Review and monitor the auditor's independence and performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions with related parties of the Company.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.

a) Review with the management, performance of statutory and internal auditors.

b) Review with the management adequacy of the internal control systems.

- Review the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Discuss with internal auditors of any significant findings and follow up there-on.
- Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- Look into the reasons for substantial defaults, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors.
- Review the functioning of the Whistle Blower mechanism/ oversee the Vigil mechanism.
- Approval of appointment of Chief Financial Officer after assessing qualifications, experience and background etc. of the candidate.
- Mandatorily review the following:

a. Management Discussion and Analysis of financial condition and results of operations;

b. Management letters/ letters of internal control weaknesses issued by the statutory auditors;

c. Internal audit reports relating to internal control weaknesses;

d. Appointment, removal and terms of remuneration of the chief internal auditor;

e. Statement of deviations:

(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.

(b) annual statement of funds utilized for purpose other than those stated in the offer document/ prospectus in terms of Regulation 32(7) of the Listing Regulations.

- Review financial statements, in particular the investments made by the Company's unlisted subsidiaries

- Note report of compliance officer as per SEBI (Prohibition of Insider Trading) Regulations, 2015.
- Formulate the scope, functioning, periodicity of and methodology for conducting the internal audit.
- Review show cause, demand, prosecution notices and penalty notices, which are materially important.
- Review any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- Review any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Review the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholder.
- Borrow monies for the purpose of business of the Company subject to such terms and conditions including limits as set by the Board from time to time.
- Carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.

b. NOMINATION AND REMUNERATION COMMITTEE

❖ **Composition**

The Nomination and Remuneration Committee as on 31st March, 2023 comprises of Mr. Rahul Dutt (Chairman of the Committee), Mr. A. Siddharth and Mr. Hemant Desai. As on 31st March, 2023, the composition of the Nomination and Remuneration Committee conforms to the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations. The Chairman of the Nomination and Remuneration Committee was present at the 35th AGM of the Company held on 26th July, 2022.

❖ **Meetings and Attendance**

The Nomination and Remuneration Committee met once during the year under review on 11th April, 2022. The attendance of each Committee member is as follows:

Name of the Director	Number of meetings during the Financial Year 2022-23	
	Held	Attended
Mr. Rahul Dutt	01	01
Mr. A. Siddharth	01	01
Mr. Hemant Desai	01	01

❖ **Terms of Reference**

The terms of reference of the Nomination and Remuneration Committee are wide enough to cover the role specified for the said Committee under Section 178 of the Act and Regulation 19 of the Listing Regulations. The same are constantly reviewed and appropriate changes are made from time to time for greater effectiveness of the Committee. The terms of reference of the Committee are as follows:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a Policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- Formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors.
- Devise a Policy on Board Diversity.
- Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.

- Consider extension or continue the term of appointment of the Independent Directors on the basis of the report of performance evaluation of Independent Directors.
- Specify the manner for effective evaluation of performance of Board, its Committees and Individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
- Review Human Resource policies and overall human resources of the Company.
- Recommend/ review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.
- Administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Schemes.
- Review information on recruitment and remuneration of senior officers just below the level of Board of Directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
- Review significant labour problems and their proposed solutions.
- Review significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.
- Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

❖ **Performance evaluation criteria of Independent Directors**

The Nomination and Remuneration Committee has laid down the criteria for evaluation of the performance of the Directors including the Independent Directors.

Based on the specified criteria, the Independent Directors are evaluated on parameters like knowledge and acquaintance with business of the Company; attendance, participation and effective contributions at the Meetings; ability to identify areas of concern; communication inter se between board members and with KMPs & senior management; compliance with code of conduct, etc.

❖ **Remuneration to Directors**

(i) Pecuniary relationship and transactions of Non-Executive Directors with the Company

Non-Executive Non-Independent Directors have waived their sitting fees for attending Board and Committee meetings. The Company has not entered into any pecuniary relationship with any Non - Executive Director.

(ii) Criteria of making payment to Non-executive Directors

- Overall remuneration should be reasonable and sufficient to attract, retain and motivate Non-Executive Directors aligned to the requirements of the Company; taking into consideration the challenges faced by the Company and its future growth imperatives. Remuneration paid should be reflective of the size of the Company, complexity of the sector/ industry/ Company's operations.
- The remuneration payable shall be inclusive of any remuneration payable for services rendered in any other capacity, unless the services rendered are of a professional nature and the Nomination and Remuneration Committee is of the opinion that the Director possesses requisite qualification for the practice of the profession.

(iii) Remuneration of Non-Executive Independent Directors

Non-Executive Independent Directors were paid sitting fee of ₹20,000/- per meeting for attending Board and Committee Meetings. The Company has not paid any commission to Non-Executive Independent Directors for the year under review.

(iv) Remuneration of Executive Directors

The Company as on 31st March, 2023, does not have any Executive Director. Further, as on 31st March, 2023, the Company has no stock option plans and hence such instrument does not form part of the remuneration package payable to any Directors.

The details of remuneration and sitting fees paid to the Non-Executive Independent Directors of the Company during the year under review are as follows:

(Amount in ₹)

Name of Directors	Salary	Other benefits/ Bonus	Performance Incentive/ Commission	Sitting fees	Stock Options/ Pension	Total	Notice period	Severance fees
Mr. A. Siddharth	-	-	-	2,60,000	-	2,60,000	-	-
Ms. Mumtaz Bandukwala	-	-	-	3,00,000	-	3,00,000	-	-
Mr. Rahul Dutt	-	-	-	2,40,000	-	2,40,000	-	-

(v) Loans to Directors

The Company did not advance any loans to any of the Directors during the year under review.

c. STAKEHOLDERS RELATIONSHIP COMMITTEE

❖ **Composition**

The Stakeholders Relationship Committee as on 31st March, 2023 comprises of Mr. Anil Kumar Rajbanshi (Chairman of the Committee), Mr. A. Siddharth, Ms. Mumtaz Bandukwala and Mr. V. Ramachandran. As on 31st March, 2023, the composition of the Stakeholders Relationship Committee conforms to the requirements of Section 178 of the Act and Regulation 20 of the Listing Regulations. Mr. Anil Kumar Rajbanshi was appointed as the Chairman of the Committee in place of Mr. A. Siddharth, w.e.f. 20th December, 2022. The Chairman of the Stakeholders Relationship Committee was present at the 35th AGM of the Company held on 26th July, 2022.

Mr. Hitesh Kanani, Company Secretary, is designated as the Compliance Officer. The Company has a designated e-mail id: investor.relations@alokind.com for the purpose of registering complaints by shareholders/ investors/ security holders electronically. This e-mail id is displayed on the Company's website at www.alokind.com.

❖ **Meetings and Attendance**

The Stakeholders Relationship Committee met twice during the year under review on 14th April 2022 and 17th October, 2022. The attendance of each Committee member is as follows:

Name of the Director	Number of meetings during the Financial Year 2022-23	
	Held	Attended
Mr. Anil Kumar Rajbanshi	02	02
Mr. A. Siddharth	02	02
Ms. Mumtaz Bandukwala	02	02
Mr. V. Ramachandran	02	02

❖ **Terms of Reference**

The terms of reference of the Stakeholders Relationship Committee are wide enough to cover the role specified for the said Committee under Section 178 of the Act and Regulation 20 of the Listing Regulations. The Committee, inter alia, is primarily responsible for considering and resolving grievances of security holders of the Company. The terms of reference of the Committee are as follows:

- Oversee and review all matters connected with transfer of Company's securities.
- Approve issue of duplicate share/ debenture certificates.
- Oversee the performance of the Company's Registrars and Transfer Agents.
- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading.
- Consider, resolve and monitor various aspects of interest of shareholders, debenture holders and other security holders including the redressal of investors'/ shareholders'/ security holders' grievances related to transfer/ transmission of securities, non-receipt of annual reports, non-receipt of declared dividend, issue new/ duplicate certificates, general meetings and so on.
- Review measures taken for effective exercise of voting rights by shareholders
- Review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent and recommend methods to upgrade the service standards adopted by the Company.
- Review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the security shareholders of the Company.

- Carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.

❖ **Details of Shareholders' Complaints**

The number of complaints received and resolved to the satisfaction of investors during the Financial Year and their break-up is as under:

Complaints pending as on 1st April, 2022	0
Complaints received during the Financial Year	5
Complaints resolved during the Financial Year	5
Complaints pending as on 31st March, 2023	0

d. CORPORATE SOCIAL RESPONSIBILITY AND GOVERNANCE COMMITTEE

❖ **Composition**

The Corporate Social Responsibility and Governance Committee as on 31st March, 2023 comprises of Ms. Mumtaz Bandukwala (Chairperson of the Committee), Mr. Rahul Dutt and Mr. V. Ramachandran. As on 31st March, 2023, the composition of the Corporate Social Responsibility and Governance Committee conforms to the requirements of Section 135 of the Act.

❖ **Meetings and Attendance**

The Corporate Social Responsibility and Governance Committee met once during the year under review on 11th April, 2022. The attendance of each Committee member is as follows:

Name of the Director	Number of meetings during the Financial Year 2022-23	
	Held	Attended
Ms. Mumtaz Bandukwala	01	01
Mr. Rahul Dutt	01	01
Mr. V. Ramachandran	01	01

❖ **Terms of Reference**

The terms of reference of the Corporate Social Responsibility and Governance Committee are wide enough to cover the role specified for the said Committee under Section 135 of the Act read with the Rules made thereunder. The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of Corporate Social Responsibility Policy.

- Formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act.
- Recommend the amount of expenditure to be incurred on the CSR activities.
- Approve Corporate Sustainability Reports and oversee the implementation of sustainability activities.
- Monitor Company's compliance with the Corporate Governance Guidelines and applicable laws and regulations and make recommendations to the Board on all such matters and on any corrective action to be taken, as the Committee may deem appropriate.
- Oversee the implementation of polices contained in the Business Responsibility and Sustainability Policy Manual and to make any changes/ modifications, as may be required, from time to time and to review and recommend the Business Responsibility and Sustainability Report (BRSR) to the Board for its approval.
- Monitor CSR Policy of the Company from time to time.
- Monitor the CSR activities undertaken by the Company.
- Ensure compliance with the corporate governance norms prescribed under the Listing Regulations, the Act and other statutes or any modification or re-enactment thereof.
- Advise the Board periodically with respect to significant developments in the law and practice of corporate governance and to make recommendations to the Board for appropriate revisions to the Company's Corporate Governance Guidelines.
- Observe practices of Corporate Governance at all levels and to suggest remedial measures wherever necessary.
- Review and assess the adequacy of the Company's Corporate Governance Manual, Code of Conduct for Directors and Senior Management, the Code of Ethics and other internal policies and guidelines and monitor that the principles described therein are being incorporated into the Company's culture and business practices.
- Formulate/ approve codes and/or policies for better governance.

- Provide correct inputs to the media so as to preserve and protect the Company's image and standing.
- Disseminate factually correct information to investors, institutions and the public at large.
- Establish oversight on important corporate communication on behalf of the Company with the assistance of consultants/ advisors, if necessary.
- Ensure institution of standardized channels of internal communications across the Company to facilitate a high level of disciplined participation.
- Carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.

e. RISK MANAGEMENT COMMITTEE

❖ **Composition**

The Risk Management Committee as on 31st March, 2023 comprises of Ms. Mumtaz Bandukwala (Chairperson of the Committee), Mr. Anil Kumar Rajbanshi and Mr. V. Ramachandran and the constitution of the Committee conforms to the requirements of Regulation 21 of the Listing Regulations. The Risk Management Committee was reconstituted on 14th April, 2022.

❖ **Meetings and Attendance**

The Risk Management Committee met twice during the year under review on 15th September, 2022 and 09th March, 2023. The maximum gap between two meetings of the Risk Management Committee was not more than 180 days as specified under Regulation 21 of the Listing Regulations. The attendance of each Committee Member is as follows:

Name of the Director	Number of meetings during the Financial Year 2022-23	
	Held	Attended
Ms. Mumtaz Bandukwala	02	02
Mr. Anil Kumar Rajbanshi	02	02
Mr. V. Ramachandran	02	02

❖ **Terms of Reference**

The terms of reference of the Risk Management Committee are wide enough to cover the role specified for the said Committee under Regulation 21 of the Listing Regulations. The said Committee, inter alia, is primarily responsible for reviewing and managing the integrated risk associated with the business including pertaining to cyber security and such other functions as the Board may from time-to-time delegate to it.

The terms of reference of the Committee are as follows:

- To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer as and when appointed.
- Carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.

MANAGING COMMITTEE

The Board has constituted a voluntary committee known as the 'Managing Committee' to manage the day-to-day affairs of the Company and authorised to take all such decisions and actions as may be required to be taken in the ordinary course of the business.

❖ **Composition**

The Managing Committee as on 31st March, 2023 comprises of Mr. V. Ramachandran, Mr. Bijay Agrawal, Mr. Sunil O. Khandelwal and Mr. K. H. Gopal.

❖ **Meetings and Attendance**

The Managing Committee met once during the year under review on 10th February, 2023. The attendance of each Committee Member is as follows:

Name of the Member	Number of meetings during the Financial Year 2022-23	
	Held	Attended
Mr. V. Ramachandran	01	01
Mr. Bijay Agrawal	01	01
Mr. Sunil O. Khandelwal	01	01
Mr. K. H. Gopal	01	01

❖ **Terms of Reference**

The Management Committee was constituted to facilitate the operational decisions within the broad framework laid down by the Board such as day to day operational decisions of the Company in terms of authorising opening/ closing/ change of mandate for the bank accounts and demat accounts, authority to represent the Company before judicial and quasi-judicial authorities, government departments and miscellaneous administrative functions etc.

❖ **DISCLOSURES**

Disclosure on related party transactions

All the contracts/ arrangements/ transactions entered by the Company during the year under review with related parties were in its ordinary course of business and on an arm's length basis. Further, none of these transactions could be considered material or were having potential conflict with interest of the Company at large in accordance with the policy of the Company on Materiality of Related Party Transactions and on dealing with Related Party Transactions.

The Company has made full disclosure of transactions with the related parties as set out in Note No. 39 of Standalone Financial Statement, forming part of the Annual Report.

The weblink for the Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions is available on the Company's website and can be accessed through the link: https://www.alokind.com/Investor_Relations-pdf/Policies/Policy_on_Materiality_of_RPT.pdf.

Details of Vigil Mechanism and Whistle-Blower Policy

The Vigil Mechanism approved by the Board provides a formal mechanism for all Directors and employees of the Company to make protected disclosures regarding the unethical behaviours, actual or suspected fraud or violation of the Company's Code of Conduct. The Directors and employees may approach Ethics & Compliance Task Force (ECTF) or the Chairman of the Audit Committee, in exceptional cases. ECTF operates under the supervision of the Audit Committee. Under the Vigil Mechanism and Whistle-blower Policy, every Director and employee of the Company has assured access to ECTF or Chairman of the Audit Committee. No Director or employee has been denied access to the Audit Committee. The said Policy provides a detailed functioning process of the mechanism and same is available on the Company's website and can be accessed through the link: https://www.alokind.com/Investor_Relations-pdf/Policies/Whistle_Blower_Policy.pdf.

Material Subsidiary

The Company does not have any material subsidiary. The weblink for the Policy on determining material subsidiaries of the Company is available on the Company's website and can be accessed through the link: https://www.alokind.com/Investor_Relations-pdf/Policies/Material_Subsidiaries.pdf.

Details of utilization of funds raised through preferential allotment

The Company had allotted 83.33 Crore equity shares at ₹3/- per share (face value of ₹1/- for cash at a premium of ₹ 2/- per share) and 250.00 Crore - 9% Optionally Convertible Preference Shares at ₹1/- per share aggregating to ₹499.99 Crore for cash to RIL on 28th February, 2020 in accordance with a Resolution Plan approved by the National Company Law Tribunal, Ahmedabad Bench, pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016. The said funds raised by the Company, have been utilised in the manner as provided in Resolution Plan. As of 31st March, 2023, the utilization of funds against this preferential allotment was ₹407.46 Crore.

No Disqualification Certificate from Company Secretary in Practice

Certificate from Mr. Virendra G. Bhatt, Practicing Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI, Ministry of Corporate Affairs, or any such other Statutory Authority, as stipulated under Regulation 34(3) of the Listing Regulations, forms a part of this Annual Report.

Recommendations from Board Committees

The Board of Directors confirm that during the year under review they have accepted all mandatory recommendations received from its Committees.

Fees paid to the Statutory Auditors

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to Statutory Auditors of the Company and other firms in the network entity of which the Statutory Auditors are a part, during the year ended 31st March, 2023, is ₹2.08 Crore.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

There were no complaints received by the Company during the year under review under the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Disclosure of Loans and Advances in the nature of loans to firms/ companies in which directors are interested

During the year under review, the Company and its subsidiaries have not given any Loans and advances in the nature of loans to firms/ companies in which directors are interested.

Details of non-compliance

There are neither instances of any non-compliances nor any penalties imposed/ strictures passed by Stock Exchanges or SEBI or any other statutory authority during the last three years on any matter related to the capital markets, except non-compliance with respect to the disclosures and filings required to be submitted by the Company, with respect to non-convertible debentures issued by the Company, with the Stock Exchanges under the Listing Regulations. The Company has vide e-mail dated 16th November, 2018 to SEBI confirmed the compliance of the relevant provisions under the Listing Regulations dealing with disclosures and submissions required to be made with respect to non-convertible debentures for the period ending 30th September, 2018. Further, the Company has sought relief from the non-compliance of the certain provisions of the Listing Regulations for the period prior to commencement of the Corporate Insolvency Resolution Process of the Company. SEBI had, post conclusion of the hearing in the subject matter, imposed a penalty of ₹12 lakhs on the Company, which was contested at the Securities Appellate Tribunal, Mumbai ("SAT"). SAT had ruled that no penalty is payable and the said decision has been contested by SEBI at the Hon'ble Supreme Court of India. As on 31st March, 2023, the said matter is pending before the Court.

Details of compliance with mandatory requirements and adoption of non-mandatory (discretionary) requirements

During the year under review, the Company has complied with all mandatory requirements of Listing Regulations.

The status of compliance with the non-mandatory requirements of the Listing Regulations is provided below:

❖ **Modified opinion(s) in audit report**

The Company is in the regime of unmodified opinions on financial statements.

❖ **Separate posts of Chairperson and the Managing Director or the Chief Executive Officer**

Chairman of the Board, Mr. A. Siddharth, is a Non-Executive, Independent Director. The Company has appointed Mr. Sunil O. Khandelwal as Manager and Key Managerial Person in terms of Section 196 and 203 of the Act. Mr. A. Siddharth and Mr. Sunil O. Khandelwal are not related to each other as per the definition of the term "relative" under the Act.

❖ **Reporting of Internal Auditor**

In accordance with the provisions of Section 138 of the Act, the Company has appointed Internal Auditors who report to the Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee and the Committee reviews the same and suggests necessary actions, if any.

Compliance of Corporate Governance Requirements Specified in Regulation 17 to 27 and Regulation 46(2) (B) to (I) of Listing Regulations for the Financial Year 2022-23:

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/ No/N.A.)
1	Board of Directors	17	Composition of Board Meeting of Board of Directors & Quorum Review of Compliance Reports Plans for orderly succession for appointments Code of Conduct Fees/ Compensation to the Non-Executive Directors Minimum Information to be placed before the Board Compliance Certificate by Manager and CFO Risk Management Plan, Risk Assessment & Minimization procedures Performance evaluation of Independent Directors Recommendation of Board for each item of special business Approval of shareholders for appointment of a director or manager within 3 months of the appointment or next general meeting whichever earlier.	Yes
2	Maximum Number of Directorship	17A	Directorship in listed entities	Yes

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/ No/N.A.)
3	Audit Committee	18	Composition & Presence of the Chairman of the Committee at the Annual General Meeting Meeting & Quorum Role of the Committee & review of information by the Committee	Yes
4	Nomination and Remuneration Committee	19	Composition Meeting & Quorum Presence of the Chairman of the Committee at the Annual General Meeting Role of the Committee	Yes
5	Stakeholders Relationship Committee	20	Composition Meeting & Quorum Presence of the Chairman of the Committee at the Annual General Meeting Role of the Committee	Yes
6	Risk Management Committee	21	Composition Meeting and Quorum Role of the Committee	Yes
7	Vigil Mechanism	22	Formulation of Vigil Mechanism/ Whistle Blower Policy for Directors and Employees. Adequate safeguards against victimisation Direct access to the chairman of Audit Committee	Yes
8	Related Party Transactions	23	Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions. Prior approval including omnibus approval of Audit Committee for all related party transactions and periodical review of related party transaction by the Committee. Disclosure on related party transactions.	Yes
9	Subsidiaries of the Company	24	Appointment of Company's Independent Director on the Board of unlisted material subsidiaries.	N.A.
			Review of financial statements and investments of unlisted subsidiaries by the Audit Committee. Minutes of the meeting of Board of Directors of the unlisted subsidiaries are placed at the meeting of the Board of Directors. Significant transactions and arrangements entered into by unlisted subsidiaries are placed at the meeting of the Board of Directors.	Yes
10	Secretarial Audit and Secretarial Compliance Report	24A	Secretarial Audit of the Company	Yes
			Secretarial Audit of material unlisted subsidiaries incorporated in India.	N.A.
			Annual Secretarial Compliance Report	Yes
11	Obligations with respect to Independent Directors	25	Maximum Directorship & Tenure Meeting of Independent Directors Review of Performance by the Independent Directors Cessation and appointment of Independent Directors Familiarization of Independent Directors Declaration from Independent Director that he/she meets the criteria of independence are placed at the meeting of Board of Directors Directors and Officers insurance for all the Independent Directors	Yes

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/ No/N.A.)
12	Obligations with respect to Directors and Senior Management, Key Managerial Personnel, Director and Promoter	26	Memberships & Chairpersonship in Committees Disclosures by Senior Management about potential conflicts of Interest No agreement with regard to compensation or profit sharing in connection with dealings in securities of the Company by Key Managerial Personnel, Director and Promoter	Yes
13	Other Corporate Governance Requirements	27	Compliance of Discretionary Requirements, Submission of quarterly compliance report on corporate governance with stock exchange	Yes
14	Disclosures on Website of the Company	46(2)(b) to (i)	Terms and conditions of appointment of Independent Directors Composition of various Committees of Board of Directors Code of Conduct of Board of Directors and Senior Management Personnel Details of establishment of Vigil Mechanism/ Whistle Blower Policy Criteria of making payments to Non-Executive Directors Policy on dealing with Related Party Transactions Policy for determining Material Subsidiaries Details of familiarization programmes imparted to Independent Directors	Yes

GENERAL SHAREHOLDER INFORMATION AND OTHER DISCLOSURES

Information on general body meetings

Date, Time and Venue of 36th Annual General Meeting (AGM) :
Friday, 22nd September, 2023, at 12.30 p.m. at Victory Hall, Damanganga Valley (DGV) Resorts, Opp. Vandhara Garden, Naroli Road, Silvassa - 396230, Union Territory of Dadra and Nagar Haveli.

The previous three AGM of the Company were held on the following day, date, time and venue:

AGM	Day, Date & Time	Venue
33rd AGM	Tuesday, 29th December, 2020 at 12:30 p.m.	Alok Public School, Alok City, Silvassa-Khanvel Road, Silvassa-396230, Union Territory of Dadra and Nagar Haveli
34th AGM	Tuesday, 21st September, 2021 at 12:30 p.m.	
35th AGM	Tuesday, 26th July, 2022 at 12:30 p.m.	

The summary of Special Resolutions passed at the previous three Annual General Meetings are reported below:

AGM	Subject matter of the Resolutions
33rd AGM	Appointment of Mr. Sunil O. Khandelwal as Manager.
34th AGM	There was no matter that required passing of Special Resolution.
35th AGM	There was no matter that required passing of Special Resolution.

Postal Ballot

During the year under review, no Special Resolution was passed through Postal Ballot. However, the Company on 6th April, 2022, vide an Ordinary Resolution passed through Postal Ballot (remote e-voting only) appointed Mr. Nirav Parekh as a Nominee Director (Non-Executive) of the Company representing JM Financial Asset Reconstruction Company Limited (acting in its capacity as trustee of JMFARC – March 2018 – Trust).

There is no immediate proposal for passing any resolution through postal ballot. However, if required, the same shall be passed in compliance of provisions of the Act, the Listing Regulations or any other applicable laws.

Extraordinary General Meeting (“EGM”)

During the year under review, no EGM was held.

Financial Year

1st April, 2022 to 31st March, 2023.

Financial Calendar

(Tentative) Results for the quarter ending

June, 2023	– Fourth week of July, 2023
September, 2023	– Fourth week of October, 2023
December, 2023	– Fourth week of January, 2024
March, 2024	– Fourth week of April, 2024

Dividend Payment date

No Dividend is proposed during the year under review.

Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on Equity

The Company does not have any outstanding GDRs/ ADRs/ Warrants as on 31st March, 2023.

As a part of the Resolution Plan approved by the National Company Law Tribunal, Ahmedabad Bench, the Company had on 28th February, 2020, allotted on preferential basis to Reliance Industries Limited ("RIL"), 250,00,00,000 - 9% Optionally Convertible Preference Shares ("OCPS") of ₹1 each for cash at par, for a total consideration of ₹250 crore.

During the financial year 2021-22, the OCPS were due for conversion at the option of RIL. Since RIL did not exercise its option to convert OCPS into equity shares of the Company, as per the terms and conditions of the OCPS, the same will be redeemed on 27th February, 2030, i.e. the last day of the 10th anniversary of the date of allotment, by paying an amount at least equal to the outstanding OCPS Subscription Amount and there shall be no impact on Equity Share Capital of the Company.

Accordingly, the Company also does not have any outstanding convertible instruments as on 31st March, 2023.

Unclaimed dividend and shares transferred to Investor Education and Protection Fund

Pursuant to the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") dividends which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the company to the Investor Education and Protection Fund ("IEPF") Authority. Further, the IEPF Rules also mandate companies to transfer all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more.

In accordance with the said IEPF Rules, the Company has transferred entire unclaimed dividend amount and 34,88,741 equity shares to IEPF Authority in the Financial Year 2020-21. Further, during the year under review, the Company was not required to transfer any dividend or shares to IEPF Authority. The outstanding equity shares of the Company held by IEPF Authority as on 31st March, 2023 are 34,21,144.

The Members whose unclaimed dividend and/or shares are transferred by the Company to the IEPF Authority in compliance with the statutory requirements as aforesaid can claim their dividend/shares from the IEPF Authority following the procedure prescribed in the Rules. The said procedure is also available on the Company's website at https://www.alokind.com/Investor_Relations-pdf/Shareholders_Information/IEPF/Procedure_for_Claim_from_IEPF.pdf.

The voting rights on these shares shall remain frozen until the rightful owner claims the shares.

The Company has appointed the Company Secretary as Nodal Officer under the provisions of IEPF, the details of which are available on the Company's website and can be accessed through the link: https://www.alokind.com/shareholder.html

The Company has uploaded the details of dividend and equity shares transferred to IEPF authorities on the Company's website and can be accessed through the link: https://www.alokind.com/Investor_Relations-pdf/Shareholders_Information/IEPF/Unclaimed_Equity_Dividend_Amount_Transferred_to_IEPF.pdf and https://www.alokind.com/Investor_Relations-pdf/Shareholders_Information/IEPF/List_of_Shares_transferred_to_IEPF.pdf.

Unclaimed shares lying in the Suspense Account

In terms of Regulation 39 of the Listing Regulations, Members of the Company are requested to note the following details in respect of equity shares lying in suspense account:

Sr. No.	Particulars	No. of Shareholders	No. of Equity Shares Outstanding*
I	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the Financial Year i.e. 1st April, 2022.	79	30,540
II	Number of shareholders who approached the Company for transfer of shares from suspense account during the year.	Nil	Nil
III	Number of shareholders to whom shares were transferred from suspense account during the year.	Nil	Nil
IV	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the Financial Year 31st March, 2023.	79	30,540

*The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Means of Communication to Shareholders

Quarterly results

The Company has published its quarterly, half-yearly and annual financial results in the News Papers viz. Business Standard (English) and Lokmitra (vernacular). Quarterly results were sent to the Stock Exchanges immediately after the Board approved them. The financial results and other relevant information are regularly and promptly updated on the Company's website.

News releases, presentations to institutional investors/ analysts

The official press releases and presentation made to Institutional Investors/ Analysts, if any, are sent to the Stock Exchanges in terms of the requirement of Listing Regulations and are also available on the Company's website.

Website

The Company's website (www.alokind.com) contains a separate dedicated section 'Investor Relations' where shareholders' information is available.

Annual Report

The Annual Report containing, *inter alia,* Audited Standalone and Consolidated Financial Statement, Directors' Report, Auditor's Report and other important information is circulated to the Members and others entitled thereto. The Management Discussion and Analysis Report forms part of this Annual Report. The Annual Report is also available on the website of the Company.

Letters / e-mail / SMS to Investors

i. **Dispute Resolution Mechanism**

In compliance with SEBI (letter no. SEBI/HO/OIAE/2023/03391 dated 27th January, 2023), to enhance investor awareness, the Company through its Registrar and Share Transfer Agents (RTA), viz., Link Intime India Private Limited had communicated to its shareholders, who were holding shares in physical form, via SMS and email, about the availability of Dispute Resolution Mechanism at Stock Exchanges against the Company/ RTA along with the weblinks for accessing the same.

The said Dispute Resolution Mechanism is available on the Stock Exchanges' website and can be accessed through the links:

BSE - https://www.bseindia.com/static/investors/arbitration_mechanism.aspx

NSE - https://www.nseindia.com/invest/about-arbitration

ii. **PAN, KYC & Nomination Details**

In compliance with the SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021 read with SEBI Circular Nos. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14th December, 2021 and SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023, the Company had sent letters to its shareholders, who were holding shares in physical form, intimating about the requirement to furnish valid PAN, KYC and Nomination details. The last date for providing the above information is 30th September, 2023, failing which such folios shall be frozen by RTA. If any such folio(s) continues to remain frozen as on 31st December, 2025, the same shall be referred by RTA/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002. The Members are advised to update their PAN, KYC and Nomination details at the earliest.

NSE Electronic Application Processing System (NEAPS) Portal and BSE Listing Centre (Listing Centre)

NEAPS and Listing Centre are web-based applications designed for corporates by NSE and BSE, respectively. All periodical and other compliance filings are filed electronically on the NEAPS and Listing Centre Portal.

SEBI Complaints Redress System (SCORES)

Investor complaints are processed at SEBI in a centralised web-based complaints redress system. The salient features of this system are centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaints and their current status.

Share Transfer System

Transfer of Shares

SEBI has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

Transmission, Transposition, Issue of Duplicate Share Certificates, etc.

Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the listed companies to issue securities in demat form only while processing service requests viz. issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR–4, the format of which is available on the Company's website and can be accessed through the link: https://www.alokind.com/Investor_Relations-pdf/Shareholders_Information/Downloads/Form_ISR-4.pdf and on the website of the Company's RTA at https://www.linkintime.co.in/downloads.html. It may be noted that any service request can be processed only after the folio is KYC compliant.

Annual Secretarial Compliance Report

The Company has obtained Annual Secretarial Compliance Report from Mr. Virendra G. Bhatt, Practicing Company Secretary, confirming compliance of SEBI Regulations/ Circulars/ Guidelines issued thereunder and applicable to the Company. There are no observations or adverse remarks in the said report.

Steps For Prohibition of Insider Trading

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a 'Code to Regulate, Monitor and Report Trading in Securities of the Company by Directors, Promoters, Designated Persons and Specified Connected Persons of the Company and Material Subsidiaries of the Company' and 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' to ensure prohibition of Insider Trading in the Company.

Mr. Hitesh Kanani, Company Secretary has been designated as the Compliance Officer for monitoring compliances with this Code.

Auditor's Certificate on Corporate Governance

The Company has obtained a Certificate from its Secretarial Auditor confirming compliance with the provisions relating to Corporate Governance laid down in Listing Regulations. This Certificate is annexed to the Corporate Governance Report for the Financial Year 2022-23.

CEO and CFO Certification

The Manager and the Chief Financial Officer ("CFO") of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations, which forms a part of this Annual Report. The Manager and the CFO also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations.

Code of Conduct

The Company has adopted a Code of Conduct for the Directors and Senior Management of the Company. The same is available on the Company's website and can be accessed through the link: https://www.alokind.com/Investor_Relations-pdf/Policies/Code_of_Conduct.pdf. The Members of the Board and Senior Management of the Company have submitted their affirmation on compliance with the Code for the Financial Year 2022-23. The declaration by the Manager to that effect forms part of this Report.

Registrar and Share Transfer Agents

Link Intime India Private Limited, having address at C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083. Tel: +91 (022) 4918 6270, Fax: +91 (022) 4918 6060, e-mail: rnt.helpdesk@linkintime.co.in, acting as the Registrar and Share Transfer Agents ("RTA") of the Company, handle all Share Registry Work. The electronic connectivity with both the depositories - National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") is also handled by RTA of the Company. The Company Secretary in co-ordination with the RTA, attends and resolves various investor related complaints to the satisfaction of the investors.

Dematerialisation of Shares and Liquidity

As on 31st March, 2023, 99.96% of Equity Share Capital of the Company was held in the dematerialized form with NSDL and CDSL. The distribution of shares in physical and electronic modes as at 31st March, 2022 and 31st March, 2023 are as follows:

Categories	Position as at 31st March, 2023		Position as at 31st March, 2022	
	No. of Shares	% to total shareholding	No. of Shares	% to total shareholding
Physical	21,73,690	0.04	21,98,085	0.04
Demat:				
NSDL	4,39,91,84,991	88.60	4,42,12,63,526	89.04
CDSL	56,38,81,720	11.36	54,17,78,790	10.92
Sub-total	4,96,30,66,711	99.96	4,96,30,42,316	99.96
Total	**4,96,52,40,401**	**100.00**	**4,96,52,40,401**	**100.00**

The equity shares of the Company are actively traded on the Stock Exchanges where shares of the Company are listed.

Listing on Stock Exchanges and Stock Codes

The Company's equity shares are listed and traded on the following Stock Exchanges:

Name	Address	Stock Code/Trading Symbol
BSE Limited ("BSE")	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001	521070
National Stock Exchange of India Limited ("NSE")	Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051	ALOKINDS

The Company has paid annual listing fees for the Financial Year 2022-23 to the Stock Exchanges.

The ISIN of Company's Equity Shares (Face Value of ₹1/- each) is INE270A01029.

Name and designation of Compliance Officer:

Name	Mr. Hitesh Kanani
Designation	Company Secretary & Compliance Officer
Address	2nd & 3rd floor, Peninsula Business Park, G. K. Marg, Lower Parel, Mumbai-400013
Phone	+91 (022)-61787000
E-mail	investor.relations@alokind.com

Commodity price risk or foreign exchange risk and hedging activities

The Company is subject to commodity price risks due to fluctuation in prices of key raw materials. The Company has in place a robust risk management framework for identification, monitoring and mitigation of commodity price and foreign exchange risks. The risks are tracked and monitored on a regular basis and mitigation strategies are adopted in line with the risk management framework. During the year under review, the Company has managed the commodity as well as foreign exchange risk and hedged to the extent considered necessary. The details of foreign currency exposure are disclosed in notes to the financial statements.

Credit Rating

During the year under review, credit rating assigned for long term bank facilities availed by the Company was revised from CARE AA (CE); Stable to CARE AA; Stable. The said revision was pursuant to the Reserve Bank of India (RBI)'s Guidance Note dated 22nd April, 2022 and subsequent FAQs dated 26th July, 2022.

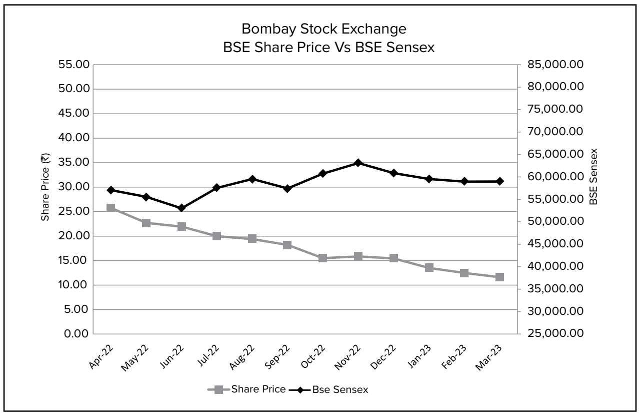
Market Price Data of Equity Shares

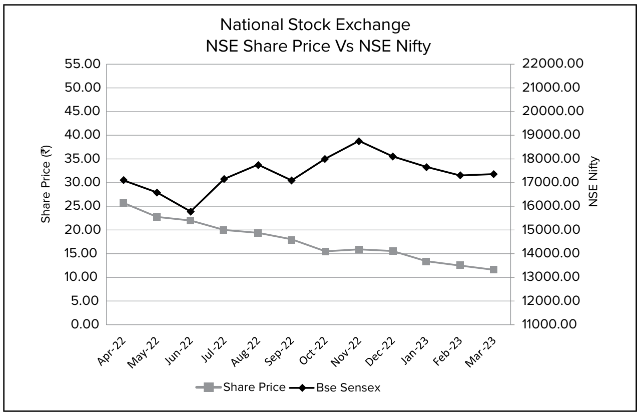
The details of high/ low/ closing market price of the Equity Shares of the Company at BSE and NSE during the Financial Year 2022-23 are provided in the table below:

Month	BSE				NSE			
	High (in ₹)	Low (in ₹)	Close (in ₹)	Total Volume (Nos.)	High (in ₹)	Low (in ₹)	Close (in ₹)	Total Volume (Nos.)
April-2022	29.80	23.45	25.75	6,14,88,523	29.80	23.40	25.75	49,82,29,881
May-2022	25.85	20.20	22.70	3,23,49,210	25.85	20.15	22.75	19,98,79,005
June-2022	23.25	18.85	21.95	70,72,679	23.25	18.85	22.00	3,53,03,080
July-2022	22.50	18.95	20.00	83,22,675	22.30	18.90	20.00	3,28,04,290
August-2022	20.75	19.00	19.40	93,28,159	20.70	18.90	19.40	3,85,01,940
September-2022	21.70	17.65	18.20	2,29,57,747	21.60	17.75	18.05	6,15,12,133
October-2022	18.50	14.35	15.50	1,28,49,453	18.45	14.30	15.50	4,85,22,515
November-2022	16.70	14.80	15.85	96,92,815	16.75	14.70	15.90	4,24,65,797
December-2022	17.35	14.25	15.45	1,30,09,537	17.40	14.20	15.55	4,82,22,938
January-2023	16.00	12.75	13.50	91,77,106	15.95	12.50	13.40	3,95,77,191
February-2023	13.80	10.07	12.47	1,16,07,125	13.75	10.10	12.50	4,29,75,298
March-2023	14.50	10.61	11.59	3,24,76,259	14.45	10.90	11.60	14,16,39,606

Stock Performance:

The performance of the Company's share relative to the BSE Sensex and NSE Nifty (on closing rates at the end of each month in respective stock exchange) is given in the chart below:





Distribution of Shareholding

The shareholding distribution of Equity Shares as at 31st March, 2023 is provided in the table below:

Category	No. of Folios	% of Shareholders	No. of shares	% of Capital
1-500	3,65,570	66.83	5,42,07,110	1.09
501-1000	67,907	12.41	5,73,05,909	1.15
1001-2000	44,128	8.07	6,92,75,213	1.40
2001-3000	18,628	3.41	4,84,68,439	0.98
3001-4000	9,602	1.76	3,48,52,142	0.70
4001-5000	9,604	1.76	4,57,81,765	0.92
5001-10000	15,708	2.87	11,93,25,313	2.40
Above 10000	15,831	2.89	4,53,60,24,510	91.36
Total	**5,46,978**	**100.00**	**4,96,52,40,401**	**100.00**

Shareholding Pattern

The shareholding pattern of equity shares of the Company as at 31st March, 2023 is provided in the table below:

Category	31st March, 2023		31st March, 2022	
	No. of Shares	% of Capital	No. of Shares	% of Capital
Promoter and Promoter Group*	3,72,38,45,177	75.00	3,72,38,45,177	75.00
Mutual Funds/UTI	9,042	0.00	13,25,542	0.03
Financial Institutions/Banks	83,001	0.00	97,079	0.00
Insurance Companies	1,72,71,870	0.35	3,55,29,499	0.72
Foreign Institutional Investors	10,28,88,389	2.07	8,42,17,626	1.70
NRIs & OCBs	2,24,95,294	0.45	2,29,31,539	0.46
Body Corporates	3,61,09,316	0.73	5,83,40,991	1.17
Individuals	1,01,90,64,118	20.52	99,21,71,149	19.98
Others	4,34,74,194	0.88	4,67,81,799	0.94
Total	**4,96,52,40,401**	**100.00**	**4,96,52,40,401**	**100.00**

*JMFARC (acting in its capacity as Trustee of ARC Trust) is the 'Person Acting in Concert' ("PAC") with RIL. There is however no provision for PAC in the prescribed format of shareholding pattern and hence, they have been shown as part of the Promoter Group in the shareholding pattern filed by the Company with the Stock Exchanges.

Plant Locations (Operational):

Spinning & Knitting	■ Survey No. 412, Village Sayli, Silvassa, Union Territory of Dadra & Nagar Haveli.
Weaving	■ 17/5/1 and 521/1, Village Rakholi, Silvassa, Union Territory of Dadra & Nagar Haveli.
Processing	■ Survey No. 261, 268, 254 and 257, 351 to 358, Village Balitha, Taluka Pardi, Dist. Valsad, Gujarat.
Made ups & Garments	■ Survey No. 374/2/2, Village Sayli, Silvassa, Union Territory of Dadra & Nagar Haveli.
	■ Old Survey No. 148/149/1 and 150/3, New Survey No. 787,788 and 793, Village Morai, Taluka Pardi, Dist. Valsad, Gujarat.
Garments	■ Survey No. 17/5/2, Village Rakholi, Silvassa, Union Territory of Dadra & Nagar Haveli.
Polyester, Texturizing & Continuous Polymerization	■ Survey No. 17/5/1 and 521/1, Village Rakholi, Silvassa, Union Territory of Dadra & Nagar Haveli.
	■ Survey No. 521/1, Village Sayli, Silvassa, Union Territory of Dadra & Nagar Haveli.
	■ Survey No. 409/1, Village Sayli, Silvassa, Union Territory of Dadra & Nagar.
Hemming	■ Survey No. 103/2, Village Rakholi, Silvassa, Union Territory of Dadra & Nagar Haveli.
Terry Towel Knits	■ Old Survey No. 251/2/P1, 263/P1/P1, 275/P1, 287/P3 and 288/P6 ; New Survey No. 1301, 1318, 1337, 1349 and 1359, Village Balitha, Taluka Pardi, Dist. Valsad, Gujarat.
Packing	■ Survey No. 87/1/1/1 and 96/1, Village Falandi, Silvassa, Union Territory of Dadra & Nagar Haveli.
Embroidery	■ Survey No. 249/1, Village Vasona, Silvassa, Union Territory of Dadra & Nagar Haveli.

Address for Correspondence

For shares held in physical form:

Link Intime India Private Limited

Unit: Alok Industries Limited

C 101, 247 Park, LBS Marg,
Vikhroli (West), Mumbai-400 083.
Phone No.: +91 (022) 49186270
Fax No. : +91 (022) 49186060
E-mail: rnt.helpdesk@linkintime.co.in

For shares held in demat form:

Members may contact their concerned Depository Participant(s) and/or Link Intime India Private Limited.

Any query on the Annual Report:

Secretarial Department
Alok Industries Limited
Tower B, 2nd and 3rd Floor, Peninsula Business Park,
G. K. Marg, Lower Parel, Mumbai – 400013.
Tel: +91 (022) 6178 7000
E-mail: investor.relations@alokind.com;
Website: www.alokind.com

Weblinks for the Policies and Codes:

The various Policies and Codes adopted by the Company in compliance of applicable provisions of the Act and Listing Regulations is available on the Company's website and can be accessed through the link https://www.alokind.com/Policies.html.

CERTIFICATE OF CORPORATE GOVERNANCE FROM COMPANY SECRETARY IN PRACTICE

To,

The Members of the **Alok Industries Limited**

I have examined the compliance of Corporate Governance by **Alok Industries Limited** ('the Company') for the financial year ended 31st March, 2023, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') as referred to in Regulation 15(2) of the SEBI Listing Regulations for the financial year ended 31st March, 2023.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. My examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the Compliance with the conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations, as applicable.

In my opinion and to the best of my information and according to the explanation given to me and based on the representations made by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations, as applicable.

I further state that such compliance is neither an assurance to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Virendra G. Bhatt
Practicing Company Secretary
ACS No.: 1157 / COP No.: 124
Peer Review Cert. No.: 1439/2021
UDIN: A001157E000143563

Place: Mumbai
Date: 19th April, 2023

CERTIFICATE BY THE MANAGER AND CHIEF FINANCIAL OFFICER:

Under Regulation 17(8) and 33 (2) of the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015

To,

The Board of Directors

Alok Industries Limited

1. We have reviewed financial statements including the cash flow statement of Alok Industries Limited ("the Company") for the Financial Year ended 31st March, 2023 and to the best of our knowledge and belief:
   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
   i. that there are no significant changes in internal control over financial reporting during the year;
   ii. that there are no significant changes in accounting policies during the year; and
   iii. that there are no instances of significant fraud of which we have become aware.

Place: Mumbai	**Sunil O. Khandelwal**	**Bijay Agrawal**
Date: 19th April, 2023	Manager	Chief Financial Officer

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT:

This is to confirm that the Company has adopted a Code of Conduct for its Board Members and Senior Management. In accordance with the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has, in respect of the Financial Year 2022-23 obtained from all the members of the Board and Senior Management Personnel, the affirmation that they have complied with the 'Code of Conduct' as applicable to them.

Place: Mumbai,
Date: 19th April, 2023

Sunil O. Khandelwal
Manager

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

Alok Industries Limited

17/5/1, 521/1, Village - Rakholi / Saily,

Union Territory of Dadra and Nagar Haveli,

Silvassa, Dadra and Nagar Haveli - 396230

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Alok Industries Limited** having CIN: L17110DN1986PLC000334 and having registered office at 17/5/1, 521/1, Village Rakholi/ Saily, Union Territory of Dadra and Nagar Haveli, Silvassa, Dadra and Nagar Haveli - 396230 (hereinafter referred to as "the Company"), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:-

Sr. No.	Name of the Director	DIN	Date of appointment in Company
1.	Siddharth Achuthan	00016278	14/09/2020
2.	Hemant Ishwarlal Desai	00008531	14/09/2020
3.	Venkataraman Ramachandran	02032853	14/09/2020
4.	Anil Rajbanshi Kumar	03370674	14/09/2020
5.	Mumtaz Bandukwala	07129301	14/09/2020
6.	Rahul Yogendra Dutt	08872616	14/09/2020
7.	Nirav Rajesh Parekh	09505075	03/03/2022

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Virendra G. Bhatt

Practicing Company Secretary

ACS No.: 1157 / COP No.: 124

Peer Review Cert. No.: 1439/2021

UDIN: A001157E000143541

Place: Mumbai

Date: 19th April, 2023

To the Members of Alok Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Alok Industries Limited ("the Company"), which comprise the Balance sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to Note 33 of the standalone financial statements in respect of the 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. Based on the resolution plan, read with the legal opinion, the Company has accounted the assigned debt at cost, overriding the Indian Accounting Standards which would require the Company to recognize the assigned debt at its fair value and accordingly the imputed interest cost over the period of the loan. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
A. Recoverability of loan given to wholly owned subsidiary	
The Company had in earlier years given loan to Alok Infrastructure Limited (a wholly owned subsidiary of the Company or "AIL"). As at March 31, 2023, the outstanding balance of loan is ₹ 182.12 crores (net of impairment allowance of ₹ 1,190.87 crores). AIL does not have significant business operations and has made a loss of ₹ 12.84 crores for the year ended March 31, 2023 and has accumulated losses of ₹ 1,505.23 crores as on March 31, 2023. To assess the recoverability of the outstanding loan, the Company has considered the valuation of the AIL's investment properties / inventories performed by the subsidiary with the help of external valuation specialists and has accordingly assessed that there is no further impairment provision required for the year ended March 31, 2023. Considering the assumptions / judgment used in valuation under the sales comparison method of market approach / depreciation replacement cost method under cost approach, the same has been considered as a key audit matter. Refer Note 6 and 48 of the standalone financial statements.	Our audit procedures included the following: • Obtained and read the audited financial statements of Alok Infrastructure Limited for the year ended March 31, 2023. • Performed inquiry procedures with the auditors of Alok Infrastructure Limited and discussed the audit procedures performed by them on the valuation report issued by the external specialists in respect of the subsidiary's investment properties/ inventories. • Assessed key valuation aspects of the investment properties / inventories along with sensitivity analysis of assumptions of Alok Infrastructure Limited by engaging internal valuation specialists. • Assessed the disclosures made in the standalone financial statements.
B. Recoverability of carrying value of property, plant and equipment	
As at March 31, 2023 the Company has Property, plant and equipment of ₹ 5,219.89 crores. In earlier years consequent to the business plan approved by the re-constituted Board of Directors of the Company, the Company had through an external valuation specialist determined the value in use of property, plant and equipment and recorded an impairment provision of ₹ 8,227.80 crores in the books. Based on recent business developments and changes in economy, the Board has made required revisions to the business plan and has accordingly updated the value in use calculations using the discounted cash flow method with the help of an external valuation specialist. Based on the same, the Company has determined there are no material adjustments required to the impairment allowance already recorded. The value in use is sensitive to changes in certain inputs / assumptions used for forecasting the discounted cash flow projections due to inherent uncertainty involved in these assumptions. Accordingly, the same has been considered as a key audit matter.	Our audit procedures included the following: • We obtained an understanding, evaluated the design and tested the operating effectiveness of controls that the Company has in relation to impairment review processes. • We assessed the Company's valuation methodology applied in determining the recoverable amount. In making this assessment, we evaluated the competence and objectivity of Company's internal specialists involved in the process. • We assessed the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used. • We discussed with the management changes in key drivers as compared to the previous year to evaluate the reasonableness of the inputs and assumptions used in the cash flow forecasts. • Assessed the disclosures made in the standalone financial statements.
C. Contingent liabilities	
As at March 31, 2023, the Company had the following matters where management has assessed the possibility of outflow of resources embodying economic benefits. a) Take or pay obligation under the long term gas sale agreement with GAIL India Limited. Refer Note 36 of financial statements. b) Tax liabilities with respect to open assessments for assessment years prior to the closing date as per the NCLT approved resolution plan. Refer Note 36 of financial statements. Management's judgement regarding recognition and measurement of provisions for these matters is inherently uncertain and might change over time as the outcomes of the litigations / discussions are determined. Accordingly, it has been considered as a key audit matter.	Our audit procedures included the following: • Obtained and read the long-term gas supply agreement between the Company and GAIL India Limited • Assessed the management's position through discussions with the in-house legal expert. • Discussed with the management on the development in these matters during the year ended March 31, 2023 along with obtaining underlying documentation for the same, including communication with counterparties. • Examined the management assessment with respect to possibility of outflow of resources embodying economic benefits in relation to these matters, including independent opinion obtained by the management by involving legal specialists. • Evaluated the objectivity and independence of the legal specialists. • Reviewed the disclosures made in the financial statements in this regard. • Obtained representation letter from the management on the assessment of these matters.

We have determined that there are no other key audit matters to communicate in our report

Other Information

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

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive loss, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (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, the Statement of Profit and Loss including the Statement of Other Comprehensive Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

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

   (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

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

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 36 to the standalone financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 49 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 49 to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

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

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Pramod Kumar Bapna
Partner
Membership Number: 105497
UDIN: 23105497BGXBNJ8713

Place: Mumbai
Date: April 19, 2023

(Referred to in paragraph 1, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(a) (B) The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment have been physically verified by the management during the year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management and audit procedures performed by us, the title deeds of immovable properties included in property, plant and equipment and investment properties are held in the name of the Company, except in the case of certain immovable properties (gross block of ₹ 44.42 crores) where the transfer of name shall be done post conversion of the land to 'Non-agricultural'.

(d) The Company has not revalued its Property, Plant and Equipment, Right of Use Asset or intangible assets during the year ended March 31, 2023.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at year end and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations.

(b) As disclosed in note 19 to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

(iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(c) The Company had in earlier years granted loans to a wholly owned subsidiary amounting to ₹ 1,372.99 crores (on which impairment allowance of ₹ 1,190.87 crores has been made as at March 31, 2023) in respect of which, the schedule of repayment of principal has been stipulated and the repayment is not due. As per the agreement, the loan has been given interest free. Further, the Company has in earlier years granted loans to companies of ₹ 1,465.99 crores (on which impairment allowance of ₹ 1,465.99 crores has been made as at March 31, 2023) where the schedule of repayment of principal and payment of interest has not been stipulated. Accordingly, we are unable to make a specific comment on clause 3(iii)(c) on the regularity of repayment of principal and payment of interest in respect of such loans.

(d) The Company had in earlier years granted loans to a wholly owned subsidiary amounting to ₹ 1,372.99 crores (on which impairment allowance of ₹ 1,190.87 crores has been made as at March 31, 2023) in respect of which, there are no amounts overdue for more than 90 days. Further, the Company has in earlier years granted loans to companies of ₹ 1,465.99 crores (on which impairment allowance of ₹ 1,465.99 crores has been made as at March 31, 2023) where the schedule of repayment of principal and payment of interest has not been stipulated. Accordingly, we are unable to make a specific comment on clause 3(iii)(d) on amounts overdue for more than 90 days and whether reasonable steps have been taken by the Company for recovery of the principal and interest in respect of such loans

(e) The Company had in earlier years granted loans to a wholly owned subsidiary amounting to ₹ 1,372.99 crores (on which impairment allowance of ₹ 1,190.87 crores has been made as at March

31, 2023) in respect of which, the loan has not fallen due during the year. Further, the Company has in earlier years granted loans to companies of ₹ 1,465.99 crores (on which impairment allowance of ₹ 1,465.99 crores has been made as at March 31, 2023) where the schedule of repayment of principal and payment of interest has not been stipulated. Accordingly, in respect of such loans, we are unable to make a specific comment on clause 3(iii)(e) on whether loans granted to companies have fallen due during the year. However, during the year, the Company has not renewed or extended any loans or granted fresh loans to settle overdues of existing loans given to the same parties.

(f) During the year, the Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) The Company had granted interest free loan in earlier years (prior to corporate insolvency resolution process) to a company, which is outstanding as at the yearend amounting to ₹ 233.32 crores (against which an impairment allowance of ₹ 233.32 crores is made). Further, the Company had granted interest free loan in earlier years (prior to the corporate insolvency resolution process) to its wholly owned subsidiaries ('WOS') which are outstanding as at the year-end amounting to ₹ 2,605.66 crores (against which an impairment allowance of ₹ 2,423.54 crores is made). In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company considering the legal opinion obtained by the Company according to which the provisions of section 186 of the Companies Act, 2013 are not applicable to all such interest free loans granted under the erstwhile Companies Act, 1956 and by virtue of the resolution plan approved by the NCLT, any claim from the authorities with respect to the breach / contravention / non-compliance of any Applicable law is abated, settled and extinguished as at the closing date (i.e. September 14, 2020).

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of certain textile products, and are of the opinion that *prima facie*, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it.

(b) According to the information and explanations given to us and audit procedures performed by us, there are no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and services tax, duty of custom, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) There are no dues in respect of income tax, sales tax, service tax, goods and services tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute, read with Note 36 to the standalone financial statements relating to NCLT approved resolution plan.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) During the year, the Company has not raised any funds by way of term loans. Further, term loans taken during the earlier years were already applied for the purpose for which they were obtained.

(d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries and joint ventures. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) In our opinion, the Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has incurred cash losses in the current year amounting to ₹ 501.14 crores. In the immediately preceding financial year, the Company had not incurred cash losses.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 51 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due. Also Refer note 32 to the standalone financial statements.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section (5) of section 135 of the Act. This matter has been disclosed in Note 47 to the standalone financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 47 to the standalone financial statements.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Pramod Kumar Bapna
Partner
Membership Number: 105497
UDIN: 23105497BGXBNJ8713

Place: Mumbai
Date: April 19, 2023

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

We have audited the internal financial controls with reference to standalone financial statements of Alok Industries Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Pramod Kumar Bapna
Partner
Membership Number: 105497
UDIN: 23105497BGXBNJ8713

Place: Mumbai
Date: April 19, 2023

STANDALONE BALANCE SHEET

As At 31st March, 2023

(₹ In Crore)

Particulars	Notes	As at 31st March, 2023	As at 31st March, 2022
Assets			
(1) Non-current assets			
(a) Property, plant and equipment	2	5,219.89	5,527.23
(b) Capital work-in-progress	4	12.43	6.27
(c) Investment property	3	5.57	5.81
(d) Right-of-use assets	2	24.39	13.39
(e) Other intangible assets	2	0.59	0.13
(f) Financial assets			
(i) Investments	5	0.05	0.05
(ii) Loans	6	182.12	182.12
(iii) Other financial assets	7	3.91	4.93
(g) Deferred tax assets (net)	8	-	-
(h) Other non current assets	9	76.56	91.33
Total non-current assets		**5,525.51**	**5,831.26**
(2) Current assets			
(a) Inventories	10	939.05	1,182.75
(b) Financial assets			
(i) Trade receivables	11	293.64	462.25
(ii) Cash and cash equivalents	12	0.79	5.19
(iii) Bank balances other than (ii) above	13	39.27	35.20
(iv) Other financial assets	14	11.91	73.53
(c) Other current assets	9	349.93	344.36
Total current assets		**1,634.59**	**2,103.28**
Total assets		**7,160.10**	**7,934.54**
Equity and liabilities			
(1) Equity			
(a) Equity share capital	15	496.53	496.53
(b) Other equity	16	(17,817.25)	(16,946.58)
Total equity		**(17,320.72)**	**(16,450.05)**
Liabilities			
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	21,809.70	22,408.34
(ii) Lease liabilities	45	7.13	-
(iii) Other financial liabilities	22	69.53	47.03
(b) Provisions	18	41.43	42.15
Total non-current liabilities		**21,927.79**	**22,497.52**
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	874.31	568.47
(ii) Lease liabilities	45	4.25	-
(iii) Trade payables	20		
- Total outstanding dues to micro, small and medium enterprises		55.69	58.23
- total outstanding dues to others		1,436.42	1,138.95
(iv) Other payables	21	133.14	87.29
(v) Other financial liabilities	22	17.24	1.61
(b) Provisions	18	6.34	5.40
(c) Other current liabilities	23	25.64	27.12
Total current liabilities		**2,553.03**	**1,887.07**
Total equity and liability		**7,160.10**	**7,934.54**
Summary of significant accounting policies	1		
The accompanying notes are an integral part of the financial statements	2 - 52		

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI firm registration number - 324982E/E300003

per Pramod Kumar Bapna
Partner
Membership Number: 105497

Place: Mumbai
Date: 19th April 2023

Sunil Khandelwal
Manager

Bijay Agrawal
Chief Financial Officer

Hitesh Kanani
Company Secretary

Place: Mumbai
Date: 19th April 2023

For and on behalf of the Board of Directors of
Alok Industries Limited

A. Siddharth	(Chairman)	(DIN:00016278)
Mumtaz Bandukwala	(Non-Executive, Independent Director)	(DIN:07129301)
Rahul Dutt	(Non-Executive, Independent Director)	(DIN:08872616)
Hemant Desai	(Non-Executive, Non Independent Director)	(DIN:00008531)
Anil Kumar Rajbanshi	(Non-Executive, Non Independent Director)	(DIN:03370674)
V. Ramachandran	(Non-Executive, Non Independent Director)	(DIN:02032853)
Nirav Parekh	(Non-Executive, Non Independent Director)	(DIN:09505075)

Corporate Identity Number of Alok Industries Limited - L17110DN1986PLC000334

STANDALONE STATEMENT OF PROFIT AND LOSS

For The Year Ended 31st March, 2023

(₹ In Crore)

Particulars		Notes	Year ended 31st March, 2023	Year ended 31st March, 2022
(1)	**Income**			
(a)	Revenue from operations	24	6,748.32	7,150.91
(b)	Other income	25	37.51	40.33
	Total income		**6,785.83**	**7,191.24**
(2)	**Expenses:**			
(a)	Cost of materials consumed	26	4,764.62	5,077.33
(b)	Purchase of stock in trade		14.28	-
(c)	Changes in inventories of finished goods and work-in-progress	27	226.86	(259.76)
(d)	Employee benefits expense	28	430.94	394.92
(e)	Finance costs	29	487.66	462.79
(f)	Depreciation and amortisation expense	30	356.30	333.00
(g)	Other expenses	31	1,380.06	1,367.14
	Total expenses		**7,660.72**	**7,375.42**
(3)	**Loss before tax (1-2)**		(874.89)	(184.18)
(4)	**Tax expenses**		-	-
(5)	**Net loss for the year (3-4)**		**(874.89)**	**(184.18)**
(6)	**Other comprehensive income**			
(i)	Items that will not be reclassified to statement of profit and loss Remeasurements gains /(losses) on defined benefit plans		4.23	(0.50)
(ii)	Income tax on (i) above		-	-
	Total other comprehensive income		**4.23**	**(0.50)**
(7)	**Total comprehensive income for the year net of tax (5+6)**		**(870.66)**	**(184.68)**
(8)	**Earnings per equity share (face value of ₹ 1 each)**	40		
(a)	Basic (₹)		(1.76)	(0.37)
(b)	Diluted (₹)		(1.76)	(0.37)
Summary of significant accounting policies		1		
The accompanying notes are an integral part of the financial statements		2 - 52		

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI firm registration number - 324982E/E300003

per Pramod Kumar Bapna
Partner
Membership Number: 105497

Place: Mumbai
Date: 19th April 2023

Sunil Khandelwal
Manager

Bijay Agrawal
Chief Financial Officer

Hitesh Kanani
Company Secretary

Place: Mumbai
Date: 19th April 2023

For and on behalf of the Board of Directors of
Alok Industries Limited

A. Siddharth	(Chairman)	(DIN:00016278)
Mumtaz Bandukwala	(Non-Executive, Independent Director)	(DIN:07129301)
Rahul Dutt	(Non-Executive, Independent Director)	(DIN:08872616)
Hemant Desai	(Non-Executive, Non Independent Director)	(DIN:00008531)
Anil Kumar Rajbanshi	(Non-Executive, Non Independent Director)	(DIN:03370674)
V. Ramachandran	(Non-Executive, Non Independent Director)	(DIN:02032853)
Nirav Parekh	(Non-Executive, Non Independent Director)	(DIN:09505075)

Corporate Identity Number of Alok Industries Limited - L17110DN1986PLC000334

STANDALONE STATEMENT OF CHANGES IN EQUITY

For The Year Ended 31st March, 2023

A) Equity share capital (refer note 15)

(₹ In Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening balance	496.53	496.53
Changes in equity share capital during the year		
Issue of equity shares during the year	-	-
Closing balance	**496.53**	**496.53**

B) Other equity (refer note 16)

(₹ In Crore)

Particulars	Equity Component of Compound Financial Instrument	Reserves & Surplus					Other Comprehensive Income	Total Other Equity
		Capital Reserve	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings		
Balance as at 1 April 2021	12.40	1,981.85	9.10	1,160.31	280.62	(20,226.81)	20.63	(16,761.90)
Addition/reduction during the year								
Loss for the Year	-	-	-	-	-	(184.18)	-	(184.18)
Equity Component of Compound Financial Instrument transferred to General reserve	(12.40)	-	-	-	12.40	-	-	-
Other Comprehensive Income	-	-	-	-	-	-	(0.50)	(0.50)
Balance as at 31 March 2022	**-**	**1,981.85**	**9.10**	**1,160.31**	**293.02**	**(20,410.99)**	**20.13**	**(16,946.58)**
Addition/Reduction during the Year								
Loss for the Year	-	-	-	-	-	(874.89)	-	(874.89)
Other Comprehensive Income	-	-	-	-	-	-	4.23	4.23
Balance as at 31 March 2023	**-**	**1,981.85**	**9.10**	**1,160.31**	**293.02**	**(21,285.88)**	**24.36**	**(17,817.25)**

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements 2 - 52

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI firm registration number - 324982E/E300003

per Pramod Kumar Bapna
Partner
Membership Number: 105497

Place: Mumbai
Date: 19th April 2023

For and on behalf of the Board of Directors of
Alok Industries Limited

Sunil Khandelwal
Manager

Bijay Agrawal
Chief Financial Officer

Hitesh Kanani
Company Secretary

Place: Mumbai
Date: 19th April 2023

A. Siddharth	(Chairman)	(DIN:00016278)
Mumtaz Bandukwala	(Non-Executive, Independent Director)	(DIN:07129301)
Rahul Dutt	(Non-Executive, Independent Director)	(DIN:08872616)
Hemant Desai	(Non-Executive, Non Independent Director)	(DIN:00008531)
Anil Kumar Rajbanshi	(Non-Executive, Non Independent Director)	(DIN:03370674)
V. Ramachandran	(Non-Executive, Non Independent Director)	(DIN:02032853)
Nirav Parekh	(Non-Executive, Non Independent Director)	(DIN:09505075)

Corporate Identity Number of Alok Industries Limited - L17110DN1986PLC000334

STANDALONE CASH FLOW STATEMENT

For The Year Ended 31st March, 2023

(₹ In Crore)

	Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
A]	**Cash Flow from Operating Activities**		
	Profit/(loss) before tax as per the statement of profit and loss	(874.89)	(184.18)
	Adjustments for:		
	Depreciation and amortisation of property, plant and equipment, investment property, right of use and intangible assets	356.30	333.00
	Finance costs	487.66	462.79
	Rental income	(0.46)	(0.25)
	Interest income	(2.19)	(3.25)
	Net unrealised exchange (gain) / loss	(0.98)	(3.05)
	(Gain)/Loss on sale of Property, Plant and Equipment (net)	(1.51)	(0.10)
	Impairment allowance on trade and other receivables	16.63	11.89
	Bad debts written off (net)	3.38	2.20
	Sundry credit balance written back (net)	(1.58)	(6.86)
	Operating profit/(Loss) before working capital changes	**(17.64)**	**612.18**
	Adjustments for		
	Decrease/(increase) in inventories	243.70	(298.19)
	Decrease / (increase) in trade receivables	151.05	(203.41)
	Decrease/(increase) in other assets	56.17	(142.23)
	(Decrease)/Increase in trade payable	290.36	220.16
	(Decrease)/Increase in provisions	4.45	9.69
	(Decrease)/Increase in other liabilities	62.53	23.35
	Cash (used in) / generated from operations	**790.62**	**221.56**
	Income taxes (paid) / refunded	(6.16)	(5.84)
	Net cash (used in) / generated from operating activities	**784.46**	**215.72**
B]	**Cash flow from Investing Activities**		
	Purchase of property plant & equipment, including Capital work-in-progress & capital advances	(37.89)	(103.22)
	Proceeds from sale of property, plant and equipment	7.50	0.16
	Fixed deposit (placed) / matured (net)	(2.59)	37.60
	Rental income	0.46	0.25
	Interest received	1.75	2.01
	Net cash generated / (used in) investing activities	**(30.77)**	**(63.20)**

STANDALONE CASH FLOW STATEMENT

For The Year Ended 31st March, 2023

(₹ In Crore)

	Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
C]	**Cash flow from Financing Activities**		
	Repayment of term borrowings	(334.84)	-
	Proceeds from short term borrowings (net)	36.32	122.77
	Payment of lease liabilities	(2.53)	-
	Interest paid	(457.04)	(446.44)
	Net cash generated from / (used in) financing activities	**(758.09)**	**(323.67)**
	Net (Decrease)/Increase in Cash and Cash equivalents (A+B+C)	(4.40)	(171.15)
	Cash and Cash equivalents at the beginning of the year	5.19	176.34
	Cash and Cash equivalents at the end of the period (refer note 12)	**0.79**	**5.19**

Non-cash investing and financing activities (refer note 12)

Summary of significant accounting policies (refer note 1)

The accompanying notes are an integral part of the financial statements (refer note 2 - 52)

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI firm registration number - 324982E/E300003

per Pramod Kumar Bapna
Partner
Membership Number: 105497

Place: Mumbai
Date: 19th April 2023

For and on behalf of the Board of Directors of
Alok Industries Limited

Sunil Khandelwal
Manager

Bijay Agrawal
Chief Financial Officer

Hitesh Kanani
Company Secretary

Place: Mumbai
Date: 19th April 2023

A. Siddharth	(Chairman)	(DIN:00016278)
Mumtaz Bandukwala	(Non-Executive, Independent Director)	(DIN:07129301)
Rahul Dutt	(Non-Executive, Independent Director)	(DIN:08872616)
Hemant Desai	(Non-Executive, Non Independent Director)	(DIN:00008531)
Anil Kumar Rajbanshi	(Non-Executive, Non Independent Director)	(DIN:03370674)
V. Ramachandran	(Non-Executive, Non Independent Director)	(DIN:02032853)
Nirav Parekh	(Non-Executive, Non Independent Director)	(DIN:09505075)

Corporate Identity Number of Alok Industries Limited - L17110DN1986PLC000334

CORPORATE INFORMATION

Alok Industries Limited ("The Company") is a Public Limited Company, domiciled in India and incorporated under the provisions of the Companies Act, 1956. The equity shares of the Company are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). It is primarily engaged in the business of textile manufacturing including mending and packing activities. The registered office of the Company is located at 17/5/1, 521/1, Village Rakholi/ Saily, Silvassa, The Union Territory of Dadra and Nagar Haveli-396230.

Pursuant to an application made by the 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.

The standalone financial statements were approved for issue in accordance with a resolution of the board of directors on 19 April 2023.

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Financial statements ('Standalone INDAS Financial Statements').

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below:

a. Derivative financial instruments,

b. Certain financial assets and liabilities measured at fair value, and

c. Defined benefit plans - plan assets measured at fair value;

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116 'Leases' ("Ind AS 116"), and that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 'Inventories' ("Ind AS 2") or value in use in Ind AS 36 'Impairment of Assets' ("Ind AS 36").

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

The financial statements are presented in ₹, which is the functional currency and all values are rounded to the nearest crore (₹ 00,00,000), except when otherwise indicated.

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of services and the normal time between the acquisition of assets and their realisation into cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

c) Foreign Currency Transactions and Translation

The management of the Company has determined Indian rupee ("₹") as the functional currency of the Company. In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency ("foreign currencies") are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences on monetary items are recognised in statement of profit and loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

d) Revenue from contract with customers:

The Company recognises revenue from the following major sources, acting in the capacity of principal:

- Sale of consumer product
- Other operating revenue

Sale of consumer product

The Company sells textile Products. The Company recognizes revenue on the sale of goods, net of discounts, sales incentives, estimated customer returns and rebates granted, commission, if any, when control of the goods is transferred to the customer.

Discounts given include rebates, price reductions and other incentives given to customers. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Export Incentives

Export benefits arising from Duty Drawback scheme, Remission of Duties and Taxes on Export Products (RoDTEP) and other eligible export incentives are recognised on post export basis at the rate at which the entitlements accrue and is included in the 'Other Operating Income' (Revenue from operation).

Nature, timing of satisfaction of performance obligation and transaction price (Fixed and variable)

The Company recognises revenue when it transfers control of a product or service to a customer.

The control of goods is transferred to the customer depending upon the terms or as agreed with customer or delivery basis (i.e. at the point in time when goods are delivered to the customer or when the customer purchases the goods from the Company warehouse). Control is considered to be transferred to customer when customer has ability to direct the use of such goods and obtain substantially all the benefits from it such as following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when onselling the goods and bears the risks of obsolescence and loss in relation to the goods.

Based on the terms of the contract and as per business practice, the Company determines the transaction price considering the amount it expects to be entitled in exchange of transferring promised goods or services to the customer. It excludes amount collected on behalf of third parties such as taxes.

The Company provides volume discount and rebate schemes, to its customers on certain goods purchased by the customer once the quantity of goods purchased during the period exceeds a threshold specified in the contract. Volume discount and rebate schemes give rise to variable consideration. To estimate the variable consideration to which it will be entitled, the Company considers that either the expected value method or the most likely amount method, depending on which of them better predicts the amount of variable consideration for the particular type of contract.

Rendering of services

Revenue from rendering of services is recognised over time considering the time elapsed. The transaction price of these services is recognised as a contract liability upon receipt of advance from the customer, if any, and is released on a straight line basis over the period of service.

Contract assets, contract liabilities and trade receivables

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues (which we refer to as unearned revenues) and advance from customers are classified as contract liabilities. A receivable is recognised by the Company when the control over the goods is transferred to the customer such as when goods are delivered as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. The average credit period on sale of goods is 7 to 90 days.

Dividend and Interest income

Dividend income from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

e) Income taxes:

Current tax

Current tax payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Ind AS financial statements and the corresponding tax bases used in the computation of taxable profit. While preparing standalone Ind AS financial statements, temporary differences are calculated using the carrying amount as per standalone Ind AS financial statements and tax bases as determined by reference to the method of tax computation.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

f) Leases:

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows;

- Building 2 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

g) Property, Plant and Equipment

Assets held for use in the production or supply of goods or services, for rental to others or for administrative purposes, are stated in the standalone balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated, however, it is subject to impairment.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Likewise, subsequent cost incurred to overhaul the plant and machineries and major inspection costs are recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period. Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

Depreciation methods, estimated useful lives and residual value:

Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation on property, plant and equipment has been provided on straight line method as per the useful life prescribed in Schedule II of the Company's Act, 2013, except in case of following assets, where useful life used is different than those prescribed in part C of Schedule II:

Asset category	Estimated useful life
Buildings	50 to 60 years
Plant and Machinery	15 to 40 years

Based on technical evaluation done by the Chartered Engineer, the management believes that the useful lives as given above, best represent, the period over which management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset.

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and any changes there in are considered as change in estimate and accounted prospectively.

h) Intangible assets:

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses, if any. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in statement of profit and loss when the asset is derecognised.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows;

Asset category	Estimated useful life
Computer software	6 years
Trademarks / Brands	10 years

i) Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

The Company may incur borrowing costs during an extended period in which it suspends the activities necessary to prepare an asset for its intended use or sale. Such costs are costs of holding partially completed assets and do not qualify for capitalisation. However, an entity does not normally suspend capitalising borrowing costs during a period when it carries out substantial technical and administrative work. The Company also does not suspend capitalising borrowing costs when a temporary delay is a necessary part of the process of getting an asset ready for its intended use or sale.

The Company shall cease capitalising borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

j) Investment Property:

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Company depreciates building component of investment property over 30 years from the date of original purchase.

The Company, based on technical assessment made by technical expert and management estimate, depreciates the building over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model issued by the Indian Valuation Standards Board.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration from the derecognition of investment property the Company considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Transfers are made to (or from) investment property only when there is a change in use.

k) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

I. Financial Assets

A) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

B) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost

  A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

- Debt instruments at fair value through other comprehensive income (FVTOCI)

  A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

- Debt instruments at fair value through profit or loss (FVTPL)

  FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

  In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

  All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

  If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the

OCI. There is no recycling of the amounts from OCI to statement of profit & loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

C) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

D) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

E) Investments in subsidiaries, associates and joint ventures

The Company has elected to account for its equity investments in subsidiaries, associates and joint ventures under IND AS 27 on Separate Financials Statements, at cost. At the end of each reporting period the Company assesses whether there are indicators of diminution in the value of its investments and provides for impairment loss, where necessary.

II. Financial Liabilities

A) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

B) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at fair value through profit or loss**

  Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

- **Loans and Borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

- **Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the contractual payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

C) De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

D) Compound instruments

The component parts of compound instruments (optionally convertible preference share) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible instrument, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in statement of profit and loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible instruments are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible instrument using the effective interest method.

III. Reclassification of financial assets / liabilities

After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations.

IV. Offsetting of financial instruments

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

V. Derivatives and hedging activities

The Company enters derivatives like forwards contracts to hedge its foreign currency risks. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently marked to market at the end of each reporting period with profit/loss being recognised in statement of profit and loss. Derivative assets/ liabilities are classified under "other financial assets/ other financial liabilities". Profits and losses arising from cancellation of contracts are recognised in the statement of profit and loss.

l) Inventories:

Finished goods are stated at the lower of cost and net realisable value. Raw material, packing materials and stores & spares are stated at costs unless the finished goods in which they will be incorporated are expected to be sold below cost. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials, Packing Materials and stores & spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

Due allowances are made for slow moving and obsolete inventories based on estimates made by the Company.

m) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

n) Provisions and contingent liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A contingent liability is:-

a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

b) a present obligation that arises from past events but is not recognised because:-

   i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

   ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

A contingent asset is disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

o) Retirement and other employee benefits:

Post-employment benefits

- Payments to defined contribution benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is not reclassified to statement of profit and loss. Past service cost is recognised in statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:
- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement.

The Company presents the first two components of defined benefit costs in statement of profit and loss in the line item “Employee benefits expense”, and the last component in Other Comprehensive Income. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company’s defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Terminal benefits

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, performance incentives and similar benefits other than compensated absences in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of compensated absences are measured on the basis of actuarial valuation as on the balance sheet date.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

p) Earnings per share:

Basic earnings per share is calculated by dividing the profit/loss attributable to the owners of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share adjusts the figure used in determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

q) Operating segment

Identification of segment - Operating segments are reported in the manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company.

Segment accounting policies - The Board of Directors of the Company have been identified as the Chief Operating Decision Maker (CODM) as defined under Ind AS 108. CODM reviews overall financial information of the Company together for performance evaluation and allocation of resources and does not review any discrete information to evaluate performance of any individual product or geography.

The Company prepares its segment information in conformity with accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

r) Onerous contracts

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

s) Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

t) Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the accounting policies, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

Key sources of estimation uncertainty

a) Useful lives of property, plant and equipment, intangible assets, investment property and right-of-use assets

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Refer Note 2 and 30 for further disclosure.

b) Property, plant and equipment, intangible assets and investment property

Determining whether the property, plant and equipment are impaired requires an estimate in the value in use of cash generating units. It requires to estimate the future cash flows expected to arise from the cash generating units and a suitable discount rate in order to calculate present value. When the present value of the cash flows are less than carrying value of property, plant and equipment a material impairment loss may arise. Refer Note 2 for further disclosure.

c) Impairment of investments in and loan given to subsidiaries and joint ventures

Determining whether the investments in and loan given to subsidiaries and joint ventures are impaired requires an estimate of the value in use. In considering the value in use, the Management have anticipated the future cash flows, discount rates and other factors of the underlying businesses/ companies. In certain cases, the Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. Refer Note 5, 6, and 39 for further disclosure.

d) Provisions, liabilities and contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of an outflow of resources embodying economic benefits are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized. Refer Note 36 for further disclosure.

e) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer Note 8 and 38 for further disclosure.

f) Employee benefit plans

The cost of defined benefit gratuity plan and other post-employment benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Refer Note 28 and 41 for further disclosure.

g) Lease

The application of Ind AS 116 requires Company to make judgements and estimates that affect the measurement of right-of-use assets and liabilities. In determining the lease term, the Company consider all facts and circumstances that create an economic incentive to exercise renewal options (or not exercise termination options). Assessing whether a contract includes a lease also requires judgement. Estimates are required to determine the appropriate discount rate used to measure lease liabilities.

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates. Refer Note 45 for further disclosure.

h) Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment. Refer note 11 for further disclosure.

i) Inventories

Inventories are reviewed on a regular basis and the Company make allowance for excess or obsolete inventories and write down to net realizable value primarily based on historical trends and management estimates of expected and future product demand and related pricing.

Inventories are stated at the lower of cost and net realisable value. Judgements are required in assessing the expected realisable values of Inventories. Factors considered includes demand levels and pricing competition in the industry. Refer note 10 for further disclosure.

j) Changes in accounting policies and disclosures

New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated 23 March 2022, to amend the following Ind AS which are effective from 1 April 2022.

(i) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

(ii) Reference to the Conceptual Framework – Amendments to Ind AS 103

(iii) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

(iv) Ind AS 101 First-time Adoption of Indian Accounting Standards – Subsidiary as a first-time adopter

(v) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

(vi) Ind AS 41 Agriculture – Taxation in fair value measurements

These amendments had no impact on the accounting policies and disclosures made in the standalone financial statements of the Company.

Note '2'

Property, Plant and Equipment, Intangible Assets and Right-of-Use Assets

(₹ in Crore)

Sr. No.	Description of assets	Cost / Deemed Cost				Depreciation				Impairment			Net book value	
		As at 1st April, 2022	Additions	Deductions / Adjustments	As at 31st March, 2023	As at 1st April, 2022	For the year	Deductions / Adjustments	As at 31st March, 2023	As at 1st April, 2022	Deductions / Adjustments	As at 31st March, 2023	As at 31st March, 2023	As at 31st March, 2022
A	**Property, Plant and Equipment (refer note 1 below)**													
	Freehold land (refer note 2 below)	4,627.59	24.89	-	4,652.48	-	-	-	-	2,737.02		2,737.02	1,915.46	1,890.57
	Building	3,188.19	0.83	-	3,189.02	463.29	31.19	-	494.48	1,640.52		1,640.52	1,054.02	1,084.38
	Plant and Equipment	9,484.05	24.16	34.12	9,474.09	3,120.43	316.81	14.72	3,422.52	3,837.08	(14.05)	3,823.03	2,228.54	2,526.54
	Furniture and Fixtures	54.06	0.28	6.28	48.06	46.90	0.29	5.78	41.41	4.20	(0.32)	3.88	2.77	2.96
	Vehicles	11.10	-	0.30	10.80	8.83	0.18	0.29	8.72	0.42		0.42	1.66	1.85
	Office Equipment	7.52	0.14	0.91	6.75	6.91	0.09	0.86	6.14	0.15	(0.03)	0.12	0.49	0.47
	Office Premises	2.83	-	-	2.83	0.28	0.02	-	0.30	1.54		1.54	0.99	1.01
	Computer and Peripherals	11.94	1.59	2.33	11.20	5.64	2.81	2.09	6.36	0.84	(0.10)	0.74	4.10	5.46
	Tools and Equipment	57.96	0.37	1.85	56.48	22.77	2.21	0.89	24.09	21.20	(0.67)	20.53	11.86	13.99
	Sub Total (A)	**17,445.24**	**52.26**	**45.79**	**17,451.71**	**3,675.05**	**353.60**	**24.63**	**4,004.02**	**8,242.97**	**(15.17)**	**8,227.80**	**5,219.89**	**5,527.23**
B	**Intangible assets**													
	Trademarks / Brands	12.39	-	-	12.39	12.39	-	-	12.39	-	-	-	-	-
	Computer Software	1.76	0.55	0.60	1.71	1.63	0.09	0.60	1.12	-	-	-	0.59	0.13
	Sub Total (B)	**14.15**	**0.55**	**0.60**	**14.10**	**14.02**	**0.09**	**0.60**	**13.51**	**-**	**-**	**-**	**0.59**	**0.13**
C	**Right-of-use assets**													
	Leasehold land	35.96	-	-	35.96	2.67	0.14	-	2.81	19.90	-	19.90	13.25	13.39
	Building	-	13.37	-	13.37	-	2.23	-	2.23	-	-	-	11.14	-
	Sub Total (C)	**35.96**	**13.37**	**-**	**49.33**	**2.67**	**2.37**	**-**	**5.04**	**19.90**	**-**	**19.90**	**24.39**	**13.39**
	Total (A+ B + C)	**17,495.35**	**66.18**	**46.39**	**17,515.14**	**3,691.74**	**356.06**	**25.23**	**4,022.57**	**8,262.87**	**(15.17)**	**8,247.70**	**5,244.87**	**5,540.75**

(₹ in Crore)

Sr. No.	Description of assets	Cost / Deemed Cost				Depreciation				Impairment			Net book value	
		As at 1st April, 2021	Additions	Deductions / Adjustments	As at 31st March, 2022	As at 1st April, 2021	For the year	Deductions / Adjustments	As at 31st March, 2022	As at 1st April, 2021	Deductions / Adjustments	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2021
A	**Property, Plant and Equipment (refer note 1 below)**													
	Freehold land (refer note 2 below)	4,627.06	0.53	-	4,627.59	-	-	-	-	2,737.02	-	2,737.02	1,890.57	1,890.04
	Building	3,188.08	0.11	-	3,188.19	433.99	29.30	-	463.29	1,640.52	-	1,640.52	1,084.38	1,113.57

(₹ in Crore)

Sr. No.	Description of assets	Cost / Deemed Cost				Depreciation				Impairment			Net book value	
		As at 1st April, 2021	Additions	Deductions / Adjustments	As at 31st March, 2022	As at 1st April, 2021	For the year	Deductions / Adjustments	As at 31st March, 2022	As at 1st April, 2021	Deductions / Adjustments	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2021
	Plant and Equipment	9,375.38	108.76	0.09	9,484.05	2,822.58	297.91	0.06	3,120.43	3,837.08	-	3,837.08	2,526.54	2,715.72
	Furniture and Fixtures	53.81	0.25	-	54.06	46.66	0.24	-	46.90	4.20	-	4.20	2.96	2.95
	Vehicles	10.91	0.70	0.51	11.10	9.18	0.14	0.49	8.83	0.42	-	0.42	1.85	1.31
	Office Equipment	7.56	0.14	0.18	7.52	7.04	0.05	0.18	6.91	0.15	-	0.15	0.47	0.37
	Office Premises	2.83	-	-	2.83	0.26	0.02	-	0.28	1.54	-	1.54	1.01	1.03
	Computer and Peripherals	8.81	3.13	-	11.94	3.12	2.52	-	5.64	0.84	-	0.84	5.47	4.85
	Tools and Equipment	56.60	1.36	-	57.96	20.38	2.39	-	22.77	21.20	-	21.20	13.99	15.02
	Sub Total (A)	**17,331.04**	**114.98**	**0.78**	**17,445.24**	**3,343.21**	**332.58**	**0.73**	**3,675.05**	**8,242.97**	**-**	**8,242.97**	**5,527.23**	**5,744.86**
B	**Intangible assets**													
	Trademarks / brands	12.39	-	-	12.39	12.39	-	-	12.39	-	-	-	-	-
	Computer software	1.74	0.02	-	1.76	1.60	0.03	-	1.63	-	-	-	0.13	0.14
	Sub Total (B)	**14.14**	**0.02**	**-**	**14.15**	**13.99**	**0.03**	**-**	**14.02**	**-**	**-**	**-**	**0.13**	**0.14**
C	**Right-of-use assets**													
	Leasehold land	35.96	-	-	35.96	2.49	0.18	-	2.67	19.90	-	19.90	13.39	13.57
	Sub Total (C)	**35.96**	**-**	**-**	**35.96**	**2.49**	**0.18**	**-**	**2.67**	**19.90**	**-**	**19.90**	**13.39**	**13.57**
	Total (A+ B + C)	**17,381.14**	**115.00**	**0.78**	**17,495.35**	**3,359.69**	**332.79**	**0.73**	**3,691.74**	**8,262.87**	**-**	**8,262.87**	**5,540.75**	**5,758.57**

Notes :

1 Certain property plant and equipment are pledge against borrowings the details relating to which have been described in note 17 pertaining to borrowings.

2 The title deeds of immovable properties included in property, plant and equipment and investment properties are held in the name of the Company, except in the case of certain immovable properties (gross block of ₹ 44.42 crores as detailed in the table below) where the Company is in the process of converting the same to 'non-agricultural' land, post which the transfer of title will happen in the name of the Company. Further, in the earlier year, title deeds of property, plant and equipment and investment properties which were pledged with the erstwhile lenders have been obtained and an equitable mortgage has been created by the Company in the name of the existing lenders.

Particulars	Description of Property	Gross carrying value (₹ in Crore)	Held in name of	Whether promoter, director or their relative or employee	Held since
Freehold land	2 Land Parcels at Vapi	22.27	Various Individuals	No Relation	2005
Freehold land	22 Land Parcels at Silvassa	22.15	Various Individuals	No Relation	2008-2013
		44.42			

Note ‘3’ Investment Property

Description of assets	Cost / Deemed Cost				Depreciation				Impairment			Net book value	
	As at 1st April, 2022	Additions	Deductions / Adjustments	As at 31st March, 2023	As at 1st April, 2022	For the year	Deductions / Adjustments	As at 31st March, 2023	As at 1st April, 2022	Deductions / Adjustments	As at 31st March, 2023	As at 31st March, 2023	As at 31st March, 2022
Building	8.73	-	-	8.73	1.57	0.24	-	1.81	1.35	-	1.35	5.57	5.81
Total	**8.73**	**-**	**-**	**8.73**	**1.57**	**0.24**	**-**	**1.81**	**1.35**	**-**	**1.35**	**5.57**	**5.81**

Description of assets	Cost / Deemed Cost				Depreciation				Impairment			Net book value	
	As at 1st April, 2021	Additions	Deductions / Adjustments	As at 31st March, 2022	As at 1st April, 2021	For the year	Deductions / Adjustments	As at 31st March, 2022	As at 1st April, 2021	Deductions / Adjustments	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2021
Building	8.73	-	-	8.73	1.37	0.21	-	1.57	1.35	-	1.35	5.81	6.02
Total	**8.73**	**-**	**-**	**8.73**	**1.37**	**0.21**	**-**	**1.57**	**1.35**	**-**	**1.35**	**5.81**	**6.02**

Note : Information regarding Income and expenditure of Investment property

(₹ In Crore)

Particulars	31 March 2023	31 March 2022
Rental income derived from Investment properties (See Note 25)	0.46	0.25
Less: Direct operating expenses (including repairs and maintenance) arising from investment property that generates rental income	0.03	0.04
Profit arising from investment properties before depreciation and indirect expenses	**0.43**	**0.21**
Less: Depreciation	0.24	0.21
Profit arising from investment properties before indirect expenses	**0.19**	**-**

Note:

(a) The Company’s investment property consists of Residential flats and Commercial buildings in India

(b) Investment property are pledged against borrowings, the details relating to which have been described in Note 17 pertaining to borrowings.

(c) As at 31 March 2023 and 31 March 2022, the fair values of the investment properties are ₹ 14.84 crore and ₹ 14.64 crore respectively, based on the valuation performed by accredited independent valuer and a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. A valuation model in accordance with that issued by the Indian Valuation Standards Board has been applied.

Note '4' Capital work-in-progress

Capital work-in-progress is as given below:

(a) Ageing of Capital work-in-progress is as given below:

(₹ in Crore)

Particulars	Amount in Capital work-in-progress for a period of				Total as at 31st March, 2023
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Various Projects (mainly pertains to upgrading of plant and machinery)	12.08	0.35	-	-	12.43
Total	**12.08**	**0.35**	**-**	**-**	**12.43**

(₹ in Crore)

Particulars	Amount in Capital work-in-progress for a period of				Total as at 31st March, 2022
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Various Projects (mainly pertains to upgrading of plant and machinery)	4.58	1.69	-	-	6.27
Total	**4.58**	**1.69**	**-**	**-**	**6.27**

There are no projects which are temporarily suspended.

(b) Overdue Capital work-in-progress as compared to Original Plans

(₹ in Crore)

Capital work-in-progress as at 31 March 2023	To be completed in			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Garments - Sprinkler system	0.15	-	-	-
Madeups - Sprinkler system	0.16	-	-	-
POY - Cooling Tower	3.26	-	-	-

Target Date of Completion as per Original Plan was 30th September 2022 for Garment and Madeups and 31st July, 2022 for POY.

(₹ in Crore)

Capital work-in-progress as at 31 March 2022	To be completed in			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Revamping of Garments Division	1.96	-	-	-

Target Date of Completion as per Original Plan was 31st December 2021

(c) Cost is exceeded as compared to Original Plans

There are no projects which have exceeded their cost as compared to the original plan.

(d) Movement of CWIP

(₹ in Crore)

Year	Balance as at 1 April	Additions	Deduction	Balance as at 31 March
Financial Year - 2022-23	6.27	26.04	19.88	12.43
Financial Year - 2021-22	10.50	100.97	105.21	6.27

5 Investments

Non-current, unquoted

(₹ In Crore)

Particulars		Number of units		Amount	
		As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
a)	**Investment in equity shares**				
	In subsidiary companies - (at cost fully paid up)				
i)	Alok International Inc. (face value of USD 1 each) (investment value ₹ 43,225/-)	1,000	1,000	-	-
ii)	Alok Infrastructure Limited (face value of ₹ 10 each)	50,000	50,000	0.05	0.05
	(Pledged against finance availed by Alok Infrastructure Limited)				
iii)	Alok Singapore Pte. Limited (face value of USD 1 each) (investment value ₹ 49/-)	1	1	-	-
	(Pledged against finance availed by Alok Singapore Pte. Limited)				
iv)	Alok International (Middle East) FZE (face value of AED 1 million each)	1	1	1.31	1.31
	(Pledged against finance availed by Alok International (Middle East) FZE)				
v)	Alok Worldwide Limited (face value of USD 1 each) (investment value ₹ 6,252/-)	100	100	-	-
vi)	Grabal Alok (UK) Limited			45.27	45.27
	Less : Impairment in value of investment			(46.63)	(46.63)
				-	-
	In Joint Venture (at cost fully paid up)				
i)	Aurangabad Textiles & Apparel Parks Limited (face value of ₹ 10 each)	1,019,200	1,019,200	17.25	17.25
ii)	New City Of Bombay Mfg. Mills Limited (face value of ₹ 10 each)	4,493,300	4,493,300	75.13	75.13
	Less : Impairment in value of investment			(92.38)	(92.38)
				-	-
	Others (at cost fully paid up)				
i)	Triumphant Victory Holdings Limited (Face value of USD 1 each) (investment value ₹ 90.14/-)	2	2	-	-
	Less : Impairment in value of investment			-	-
				-	-
ii)	Dombivali Nagari Sahakari Bank Limited (Face value of ₹ 50 each)	10,000	10,000	0.05	0.05
iii)	New India Co-op Bank Limited (face value of ₹ 10 each) (investment value ₹ 300/-)	300	300	-	-
iv)	Saraswat Bank Limited (face value of ₹ 10 each) (investment value ₹ 25,000/-)	2,500	2,500	-	-
	(Pledged against finance availed by Company)				
v)	Wel-Treat Environ Management Organisation (face value of ₹ 10 each) (investment value ₹ 36,500/-)	3,650	3,650	-	-
				0.05	**0.05**

(₹ In Crore)

Particulars	Number of units		Amount	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
b) In Preference shares - others (fully paid up at amortised cost)				
Triumphant Victory Holdings Limited (0% Redeemable cumulative Preference shares, face value of USD 1 each)	35,466,960	35,466,960	226.00	212.06
Less : Impairment in value of investment			(226.00)	(212.06)
			-	-
Total			**0.05**	**0.05**
Aggregate amount of unquoted investments			365.06	351.12
Aggregate amount of impairment in value of investments			(365.01)	(351.07)

6 Loans
Non-current

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured, Loans (refer note 46)		
Loans, which have significant increase in credit risk (refer note 48)	1,372.99	1,372.99
Loans, credit impaired	1,465.99	1,465.99
Total	**2,838.98**	**2,838.98**
Less: impairment allowance	(1,190.87)	(1,190.87)
Loan which have significant increase in credit risk	(1,465.99)	(1,465.99)
Loans, credit impaired	(2,656.86)	(2,656.86)
Total	**182.12**	**182.12**

Note:

For loans to related parties refer note 39.

7 Other financial assets
Non current

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balance with banks		
Balances / deposits held as margin money or security against borrowings, guarantee and other commitments	1.04	2.08
Security deposits	2.87	2.85
Total	**3.91**	**4.93**

8 Deferred tax assets (Net)

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deferred tax asset (net) comprises of timing difference on account of :		
Provision for employee benefits	12.02	11.97
Provision for doubtful debts and advances	843.30	834.20
Unabsorbed depreciation carried forward	746.28	586.82
Business loss carried forward	900.22	863.70
Less : Deferred Tax Liability		
Depreciation	(697.33)	(714.89)
Deferred Tax Asset	1,804.49	1,581.80
Deferred tax Asset not recognised	(1,804.49)	(1,581.80)
Net Deferred Tax Asset	-	-

(refer note 38)

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Tax losses (revenue in nature) (Refer note a below)	6,542.05	5,763.36
Tax losses (capital in nature)	-	-
Total	**6,542.05**	**5,763.36**

a) Unused tax losses of revenue nature include losses of ₹ 3,576.85 crore (Previous year ₹ 3,431.73 Crore) that are available for offsetting for eight years against future taxable profits of the Company in which the losses arose.

(₹ in Crore)

Financial Years	As at 31st March, 2023	As at 31st March, 2022
2015-16	520.89	520.89
2016-17	996.89	996.89
2017-18	1,575.49	1,575.49
2022-23	483.58	-
Total	**3,576.85**	**3,093.27**

Further, unutilised tax losses of revenue nature include losses of ₹ 2,965.20 crore (Previous Year ₹ 2,670.09 crore) which are available for offsetting against future taxable profits indefinitely.

Reconciliation of deferred tax asset (net):

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening balance as of 1 April	-	-
Tax income/(expense) during the period recognised in the statement of profit or loss	-	-
Tax income/(expense) during the period recognised in the statement of OCI	-	-
Closing balance as at 31 March (refer note 38)	-	-
Reconciliation of current tax:		
Profit/(loss) before tax	(874.89)	(184.18)
Enacted tax rate in India	25.168%	25.168%
Expected income tax expense / (benefit) at statutory tax rate	**(220.19)**	**(46.35)**

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Tax effect of		
Expenses allowed	(76.26)	(86.26)
Expenses disallowed	98.52	94.66
Effect of recognition of tax loss, limited to net taxable income for the year	197.93	37.95
Net income tax expense / (benefit) *	**-**	**-**
Current tax expense	-	-
Effect of tax pertaining to prior years	-	-
Current tax provision	**-**	**-**

* Being a tax loss, the current tax expenses for the year is Nil.

9 Other assets

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non current		
Unsecured, considered good		
Capital advances (refer note below)	19.11	40.04
Advance tax (net of provision for tax)	57.45	51.29
Total	**76.56**	**91.33**
Current		
Unsecured, considered good		
Balance with statutory authorities	318.65	304.74
Prepaid expenses	18.33	19.41
Advance to vendors	12.95	20.21
	349.93	**344.36**
Unsecured, considered doubtful		
Balance with statutory authorities	54.60	54.60
Advance to vendors	149.87	150.51
Less: impairment allowance	(204.47)	(205.11)
	-	-
Total	**349.93**	**344.36**

Note

In earlier years, the Company had entered into an agreement with the erstwhile promotors to buy land and hold it in trust on behalf of the Company. Post execution of the sale agreement and conversion of land to 'Non-Agricultural' purpose, the land will be transferred in the name of the Company. As of 31 March 2023, the advances paid of ₹ 18.04 crore (Previous year ₹ 39.39 crore) are disclosed as part of capital advances. On completion of the process, the land will be capitalised in the books. Also refer Note 37 for contractual capital commitments.

10 Inventories

(At lower of cost and net realisable value)

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Raw materials	238.95	242.55
(includes material in transit ₹ 23.49 crore (Previous year ₹ 12.46 crore)		
Work-in-progress	359.18	490.08
Finished goods (includes material in transit ₹ 18.56 crore (Previous year ₹ 24.24 crore)	266.36	362.32
Stores and spares	67.32	75.80
Packing material	7.24	12.00
Total	**939.05**	**1,182.75**

NOTE:

Value of inventories above is stated after provision of ₹ 113.45 crore (previous year ₹ 21.89 crore) for write down to net realisable value and provision for slow moving and obsolete items.

Inventory is hypothecated as security (refer note 17 & 19)

11 Trade receivables

(unsecured)

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Receivables from related parties (refer note 39)	60.56	68.16
Others	233.08	394.09
	293.64	**462.25**
Gross trade receivables		
Gross trade receivable, considered good	248.44	458.25
Gross trade receivable, which has significant increase in credit risk	61.14	12.15
Gross trade receivable, credit impaired	89.16	80.32
	398.74	**550.72**
Impairment allowance		
Trade receivable, considered good	(5.33)	(5.99)
Trade receivable, which has significant increase in credit risk	(10.61)	(2.16)
Trade receivable, credit impaired	(89.16)	(80.32)
	(105.10)	(88.47)
Net trade receivables	**293.64**	**462.25**

Ageing of Trade Receivables

As at 31st March, 2023 (₹ in Crore)

Particulars	Outstanding for following periods from invoice date					Total
	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed Trade Receivables considered good	248.44	-	-	-	-	248.44
Undisputed Trade Receivables - which have significant increase in credit risk	-	49.97	11.12	0.05	-	61.14
Undisputed Trade Receivables - credit risk impaired	-	-	0.89	3.57	84.70	89.16
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - credit risk impaired	-	-	-	-	-	-
Total	**248.44**	**49.97**	**12.01**	**3.62**	**84.70**	**398.74**

As at 31st March, 2022 (₹ in Crore)

Particulars	Outstanding for following periods from invoice date					Total
	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed Trade Receivables considered good	458.25	-	-	-	-	458.25
Undisputed Trade Receivables - which have significant increase in credit risk	-	5.04	6.07	0.09	0.95	12.15
Undisputed Trade Receivables - credit risk impaired	-	-	0.24	54.61	25.47	80.32
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - credit risk impaired	-	-	-	-	-	-
Total	**458.25**	**5.04**	**6.31**	**54.71**	**26.42**	**550.72**

Notes:

For trade receivable hypothecated as security (refer note 17 & 19)

12 Cash and cash equivalents

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
On current accounts	0.77	1.00
In fixed deposit accounts	-	4.17
Cash on hand	0.02	0.02
Total	**0.79**	**5.19**

Notes:

1) During the current year, the Company entered into non cash investment activity of acquisition of ROU asset of ₹ 13.37 crore (Previous year ₹ Nil) (refer note 2). This is not reflected in the statement of cash flow.

2) Changes in liabilities due to financial activities

(₹ in Crore)

Particulars	As at 31st March, 2022	Cash Flows	Others	As at 31st March, 2023
Borrowings - non current	22,408.34	(334.84)	(263.80)	21,809.70
Borrowings - current	568.47	36.32	269.52	874.31
Lease liabilities	-	(2.53)	13.91	11.38
Other financial liabilities	48.64	16.13	22.00	86.77
Total	**23,025.45**	**(284.92)**	**41.63**	**22,782.16**

(₹ in Crore)

Particulars	As at 31st March, 2021	Cash Flows	Others	As at 31st March, 2022
Borrowings - non current	22,736.60	-	(328.26)	22,408.34
Borrowings - current	110.86	122.77	334.84	568.47
Other financial liabilities	38.73	(13.06)	22.97	48.64
Total	**22,886.19**	**109.71**	**29.55**	**23,025.45**

The 'Others' column includes the effect of reclassification of non-current portion of borrowings to current due to the passage of time, and the effect of accrued but not yet paid interest on borrowings. It also include the effect of lease liability created on account of acquisition of ROU asset. (refer note above this table).

13 Other bank balances

(₹ in Crore)

	As at 31st March, 2023	As at 31st March, 2022
Current		
Balance with bank		
In earmarked accounts		
Balances / deposits held as margin money or security against borrowings, guarantee and other commitments	39.27	35.20
Total	**39.27**	**35.20**

14 Other current financial assets

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good		
Advance to staff	0.23	0.26
Export incentive receivable	10.32	56.88
Contract assets	1.21	1.53
Derrivative instrument	0.15	2.00
Other Receivables (refer note 39)	-	12.86
	11.91	**73.53**
Unsecured, considered doubtful		
Export incentive receivable	3.37	5.41
Inter corporate deposits	-	0.66
	3.37	6.07
Less : impairment allowance	(3.37)	(6.07)
	-	-
Total	**11.91**	**73.53**

Other current financial assets are hypothecated as security (refer note 17 & 19)

15 Equity share capital

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Authorised		
35,00,00,00,000 Equity shares of ₹ 1/- each	3,500.00	3,500.00
500,00,00,000 Preference shares of ₹ 1/- each	500.00	500.00
	4,000.00	**4,000.00**
Issued, subscribed and fully paid up capital		
496,52,40,401 Equity shares of ₹ 1/- each (Previous year 496,52,40,401 Equity shares of ₹ 1/- each) fully paid up	496.52	496.52
	496.52	**496.52**
Add : 13,921 Equity Shares forfeited of ₹ 10/- each, ₹ 5/- paid up (₹ 69,605/-)	0.01	0.01
Total	**496.53**	**496.53**

(i) Reconciliation of number of equity shares and amount outstanding at the beginning and at the end of the year

(₹ in Crore)

Particulars	No. of shares		Amount	
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
At the beginning of the year	4,965,240,401	4,965,240,401	496.53	496.53
At the end of the year	**4,965,240,401**	**4,965,240,401**	**496.53**	**496.53**

a) During the earlier year, in accordance with the Approved Resolution Plan, the Company on 10th September, 2020, further allotted on preferential basis:- 115,32,00,000 equity shares of the face value of ₹ 1/- (Rupee One only) each, fully paid up, to Reliance Industries Limited, pursuant to conversion of debt; and 160,14,00,000 equity shares of the face value of ₹ 1/- (Rupee One only) each, fully paid up, to JM Financial Asset Reconstruction Company Limited (acting in its capacity as a Trustee of 'JMFARC- March 2018 – Trust'- (JMFARC)), pursuant to conversion of debt. Accordingly the same has been issued for a consideration other than cash.

b) During the earlier year, In accordance with the Approved Resolution Plan, 10,827 equity shares belonging to the promoters of the Company stand cancelled and extinguished.

(ii) Shareholders holding more than 5 percent shares in the Company

Name of the Shareholder	No. of shares		As at	
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
Reliance Industries Limited	1,986,533,333	1,986,533,333	40.01%	40.01%
JM Financial Asset Reconstruction Company Limited (acting in its capacity as Trustee of JMFARC-March 2018-Trust)	1,737,311,844	1,737,311,844	34.99%	34.99%

% change during the year 2022-23 - Nil

Reliance Industries Limited and JM Financial Asset Reconstruction Company Limited (acting in its capacity as Trustee of JMFARC-March 2018-Trust) are also the only promoters of the Company.

(iii) Rights, preferences and restrictions attached to equity shares

i) The Company has one class of equity shares having a par value of 1 per share. Each holder of equity share is entitled to one vote per share.

ii) Right to receive dividend as may be approved by the Board of Directors / Annual General Meeting.

iii) The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.

iv) Every member of the Company holding equity shares has a right to attend the General Meeting of the Company and has a right to vote in proportion to his share of the paid-up capital of the Company.

v) In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

16 Other Equity

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital reserve		
Balance as per last balance sheet	1,981.85	1,981.85
Add : Addition during the year	-	-
	1,981.85	**1,981.85**
Note:		
This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.		
Capital redemption reserve		
Balance as per last balance sheet	9.10	9.10
Add : Addition during the year	-	-
	9.10	**9.10**
Note:		
Capital redemption reserve was created during the year ended 31 March 2012, on merger of Grabal Alok Impex Limited (Subsidiary of the Company). This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.		
Securities premium		
Balance as per last balance sheet	1,160.31	1,160.31
Add : Addition during the year	-	-
	1,160.31	**1,160.31**
Note:		
Securities premium is used to record the excess of the amount received over the face value of the shares. This reserve will be utilised in accordance with the provision of the Companies Act, 2013.		
General reserve		
Balance as per last balance sheet	293.02	280.62
Add : Transferred from Equity component of compound financial instrument	-	12.40
	293.02	**293.02**
Note:		
General reserve is used from time to time to transfer profits from Retained earnings for appropriation purpose. This reserve will be utilised in accordance with the provision of the Companies Act, 2013		
Equity component of compound financial instrument		
9% Optionally Convertible Preference Shares		
Balance as per last balance sheet	-	12.40
Add/(Less): Transferred to General Reserve	-	(12.40)
	-	**-**
Other comprehensive income (net of tax)		
Balance as per last Balance Sheet	20.13	20.63
Add/(Less): Addition during the year	4.23	(0.50)
	24.36	**20.13**
Note:		
This relates to the remeasurement impact of defined benefit plans and income tax effect of the same.		
(Deficit)/surplus in the statement of profit and loss		
Retained earnings	(20,410.99)	(20,226.81)
Profit/(Loss) for the year	(874.89)	(184.18)
	(21,285.88)	**(20,410.99)**
Note:		
This represents the surplus / (deficit) of the statement of profit or loss. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013.		
Total	**(17,817.25)**	**(16,946.58)**

17 Non - current borrowings

(₹ in Crore)

Particulars		As at 31st March, 2023	As at 31st March, 2022
a)	9% Optionally Convertible Preference Shares (Unsecured at amortised cost) (refer note (i) below)	240.31	239.35
		240.31	**239.35**
b)	Secure term loans at amortised cost		
	- Term Loans (Refer (ii), (iii) and (iv) below)		
	From banks	4,185.37	4,784.97
	From Asset Reconstruction Company (ARC)	14,517.44	14,517.44
	From Body Corporate	2,866.58	2,866.58
		21,569.39	**22,168.99**
Total		**21,809.70**	**22,408.34**

Note:

(i) Optionally Convertible Preference Shares :

As per the Approved Resolution Plan, the Company had issued and allotted 250,00,00,000 9% Optionally Convertible Preference Shares (OCPS) of ₹ 1/- each to Reliance Industries Limited(RIL). (i) These OCPS are redeemable at the end of 10 years from the date of allotment i.e. 28 February 2020. (ii) dividend @9% per annum on outstanding amount is payable on cumulative basis.

(ii) Security for term loans

(₹ in Crore)

Nature of security	Banks *	ARC	Body Corporate	Total
Primary:	4,790.12	-	-	4,790.12
First charge on *pari-passu* basis over all fixed assets of the Company.	(5,119.81)	(-)	(-)	(5,119.81)
Collateral:				
(1) First charge on *pari-passu* basis over the fixed assets of Alok Infrastructure Limited (a wholly owned subsidiary);				
(2) Second charge on all current asset of the Company (both present & future).				
Second charge over all movable and immovable assets of the Company and fixed assets of Alok Infrastructure Limited, mortgaged/ to be mortgaged in favour of the above Term Loan lenders.	- (-)	- (-)	2,866.58 (2,866.58)	2,866.58 (2,866.58)
Subordinate charge to the charge created in favour of RIL, over all movable and immovable assets of the Company and Alok Infrastructure Limited.	- (-)	14,517.44 (14,517.44)	- (-)	14,517.44 (14,517.44)
Total	**4,790.12**	**14,517.44**	**2,866.58**	**22,174.14**
	(5,119.81)	**(14,517.44)**	**(2,866.58)**	**(22,503.83)**

(previous year figures in brackets)

(iii) Terms of repayment of Secured Term Loans

Non-current (₹ in Crore)

Particulars	Effective rate of interest	0-3 Years	3-4 Years	Beyond 4 Years	Total
Rupee term loan from bank*					
	8%p.a. - 9%p.a.	2,553.55	1,087.87	1,148.70	4,790.12
	(8%p.a. - 9%p.a.)	(1,894.07)	(1,004.47)	(2,221.27)	(5,119.81)
Rupee term loan from Asset Reconstruction Company					
	refer note 'a' below	-	-	14,517.44	14,517.44
	refer note 'a' below	(-)	(-)	(14,517.44)	(14,517.44)
Rupee term loan from body corporate					
	refer note 'a' below	-	-	2,866.58	2,866.58
	refer note 'a' below	(-)	(-)	(2,866.58)	(2,866.58)
Total		**2,553.55**	**1,087.87**	**18,532.72**	**22,174.14**
		(1,894.07)	**(1,004.47)**	**(19,605.29)**	**(22,503.83)**

(previous year figures in brackets)

* including current maturities of long term debts.

Note a - As per the approved resolution plan, loans from asset reconstruction company and body corporate are interest free for a period of 8 years, post which the terms of the assigned debt shall be mutually agreed among the resolution applicants and the Company (Refer note 33).

(iv) During the earlier year (FY 2020-21), in accordance with the Approved Resolution Plan, JMFARC Limited and Reliance Industries Limited have converted debt amounting to ₹ 5,298.58 crore into equity, whereby the Company has issued 2,75,46,00,000 equity shares at face value ₹ 275.46 crore, (refer note 15).

18 Provisions

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non current		
Gratuity (refer note 41)	20.77	23.54
Leave encashment	20.66	18.61
Total	**41.43**	**42.15**
Current		
Leave encashment	6.34	5.40
Total	**6.34**	**5.40**

19 Current borrowings

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Working capital loans : (secured, at amortised cost)		
Cash credit / Demand Loan (refer note below)		
Loan repayable on demand from bank	269.56	233.63
Current maturities of long term debts (refer note 17)	604.75	334.84
Total	**874.31**	**568.47**

Note

(1) Working capital loans are secured by; (i) first ranking *pari-passu* charge on the current assets of the Company, both present and future (ii) second ranking *pari-passu* charge (after term loan) over the movable fixed assets of the Company, both present and future. (iii) loan is repayable on demand and carrying interest 7% to 9% per annum.

(2) The Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks are in agreement with the books of account of the Company.

As at 31 March 2023, the Company had available ₹ 56.84 crores (Previous Year: ₹ 107.87 crores) of undrawn committed borrowing facilities.

20 Trade payable

(₹ in Crore)

Particulars	As At 31st March, 2023	As At 31st March, 2022
Total outstanding dues of micro enterprises and small enterprises (refer note a below)	55.69	58.23
Total outstanding dues of trade payables other than micro enterprises and small enterprises	1,436.42	1,138.95
Total	**1,492.11**	**1,197.18**

Refer note 39 for related party balances.

a. Disclosure Under the Micro and Small Enterprises Development Act, 2006 are provided to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act;

(₹ in Crore)

	Particulars	As at 31st March, 2023	As at 31st March, 2022
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year	55.69	58.23
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the previous accounting year	1.14	1.14
(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv)	Interest provided earlier not payable as per the terms of approved resolution plan	(1.14)	-
(v)	The amount of interest due and payable for the year	-	-
(vi)	The amount of interest accrued and remaining unpaid at the end of the accounting year	-	1.14
(vii)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

The information has been given in respect of such vendor to the extent they could be identified as Micro and Small Enterprise as on the basis of information available with the Company.

b. **Aging of Trade payables**

As at 31st March, 2023 (₹ in Crore)

Particulars	Outstanding for following periods from transaction date				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME	55.69	-	-	-	55.69
Others	1,422.79	6.39	7.10	0.14	1,436.42
Disputed dues (MSMEs)	-	-	-	-	-
Disputed dues (Others)	-	-	-	-	-
Total	**1,478.48**	**6.39**	**7.10**	**0.14**	**1,492.11**

As at 31st March, 2022 (₹ in Crore)

Particulars	Outstanding for following periods from transaction date				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME	58.23	-	-	-	58.23
Others	1,131.09	7.35	0.21	0.30	1,138.95
Disputed dues (MSMEs)	-	-	-	-	-
Disputed dues (Others)	-	-	-	-	-
Total	**1,189.32**	**7.35**	**0.21**	**0.30**	**1,197.18**

Unbilled trade payables of ₹ 0.60 crore (previous year ₹ 12.92 crore), are disclosed under "less than 1 year" in the above ageing schedule.

21 Other payable

(₹ in Crore)

Particulars	As At 31st March, 2023	As At 31st March, 2022
Others (includes outstanding expenses & salaries & wages payable)	133.14	87.29
Total	**133.14**	**87.29**

b. Aging of Trade payables

As at 31st March, 2023 (₹ in Crore)

Particulars	Outstanding for following periods from transaction date				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Others	127.09	2.38	-	3.67	133.14
Total	**127.09**	**2.38**	**-**	**3.67**	**133.14**

As at 31st March, 2022 (₹ in Crore)

Particulars	Outstanding for following periods from transaction date				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Others	74.51	3.40	4.24	5.14	87.29
Total	**74.51**	**3.40**	**4.24**	**5.14**	**87.29**

22 Other financial liabilities

(₹ in Crore)

Particulars	As At 31st March, 2023	As At 31st March, 2022
Non current		
Interest accrued but not due	69.53	47.03
Total	**69.53**	**47.03**
Current		
Interest accrued and due	-	1.14
Interest accrued but not due	0.37	0.33
Creditors for capital goods	0.28	0.14
Deposit from vendor	16.59	-
Total	**17.24**	**1.61**

23 Other current liabilities

(₹ in Crore)

Particulars	As At 31st March, 2023	As At 31st March, 2022
Contract liabilities	17.95	19.27
Statutory dues payable	7.69	7.85
Total	**25.64**	**27.12**

24 Revenue From Operations

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
a) Sale of product		
Sales - local	5,586.27	5,393.65
Sales - export	1,042.26	1,588.81
b) Sale of services		
Job work charges	31.46	38.51
	6,659.99	**7,020.97**
c) Other operating revenue		
Export incentives	71.33	110.73
Sale of scrap	17.00	19.21
Total	**6,748.32**	**7,150.91**

Timing of revenue recognition

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Goods transferred at a point in time	6,628.53	6,982.46
Services transferred at a point in time	31.46	38.51
Other operating revenue transferred at a point in time	88.33	129.94
Total revenue from contracts with customers	**6,748.32**	**7,150.91**

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Revenue as per contracted price	6,887.88	7,270.93
Less: Discounts	(67.72)	(39.98)
Less: Sales return	(24.65)	(20.75)
Less: Commission	(47.19)	(59.29)
Revenue from contracts with customers	**6,748.32**	**7,150.91**

Performance Obligation

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 7 to 90 days from delivery. There are no material unsatisfied performance obligation outstanding at the year end.

The performance obligations of the Company are part of contracts that have an original expected duration of less than one year and accordingly, the Company has applied the practical expedient and opted not to disclose the information about it's remaining performance obligations in accordance with IND AS 115.

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

(₹ in Crore)

Particulars	As At 31st March, 2023	As At 31st March, 2022
Trade receivables (refer note 11)	293.64	462.25
Contract assets (refer note 14)	1.21	1.53
Contract liabilities (refer note 23)	17.95	19.27

Trade receivables are non interest bearing and are generally on terms of 7 to 90 days.

Contract assets includes amounts related to contractual right to consideration for completed performance objectives not yet invoiced.

Contract liabilities include payments received in advance of performance under the contract, and are realised with the associated revenue recognised under the contract.

Set out below is the amount of revenue recognised from:

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Amounts included in contract liabilities at the beginning of the year	19.27	13.55
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	18.55	12.00

25 Other income

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest income		
- Bank fixed deposits	2.16	3.19
- Others	0.03	0.07
Exchange rate difference (net)	27.74	26.46
(Loss) / Gain on financial instruments at fair value through profit or loss	-	0.68
Profit on sale of fixed assets	1.51	0.10
Sundry credit balances written back	1.58	6.86
Rental income	0.46	0.25
Other non operating income	4.03	2.72
Total	**37.51**	**40.33**

26 Cost of materials consumed

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Raw material consumed		
Inventory at the beginning of the year (refer note 10)	242.55	231.71
Add: Purchases	4,495.62	4,810.69
Less: Inventory at the end of the year (refer note 10)	(238.95)	(242.55)
	4,499.22	**4,799.85**
Packing Materials Consumed		
Inventory at the beginning of the year (refer note 10)	12.00	11.58
Add: Purchases	260.64	277.90
Less: Inventory at the end of the year (refer note 10)	(7.24)	(12.00)
	265.40	**277.48**
Total	**4,764.62**	**5,077.33**

27 Changes In Inventories of Finished Goods, Work-In-Progress

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Opening stock (refer Note 10)		
Finished goods	362.32	234.41
Work-in-progress	490.08	358.23
	852.40	**592.64**
Less: Closing stock (refer Note 10)		
Finished goods	266.36	362.32
Work-in-progress	359.18	490.08
	625.54	**852.40**
Total	**226.86**	**(259.76)**

28 Employee benefit expenses

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Salaries and wages	385.47	354.15
Contribution to provident and other funds (refer Note 41)	22.56	20.39
Employees welfare expenses	14.42	12.07
Gratuity expense (refer Note 41)	8.49	8.31
Total	**430.94**	**394.92**

29 Finance costs

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest expense on:		
Term Loans	421.09	430.91
Working Capital	19.33	7.56
Preference shares	23.46	24.32
Lease liabilities (refer Note 45)	0.54	-
Others	23.24	-
Total	**487.66**	**462.79**

30 Depreciation and amortisation expense

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Depreciation of property plant and equipment (refer Note 2)	353.60	332.58
Depreciation on investment properties (refer Note 3)	0.24	0.21
Amortization of intangible assets (refer Note 2)	0.09	0.03
Right-of-use assets (refer Note 2)	2.37	0.18
Total	**356.30**	**333.00**

31 Other expenses

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Stores and spares consumed	113.21	104.87
Power and fuel	809.48	774.61
Processing charges	85.35	68.96
Labour charges	122.25	136.73
Freight, coolie and cartage	65.47	92.56
Legal and professional fees	15.53	12.79
Rent	14.17	14.68
Rates and taxes	6.05	5.25
Repairs and maintenance		
Plant and machinery	23.12	26.49
Factory building	4.74	2.60
Others	5.74	7.17
Loss on financial instruments at fair value through profit or loss	3.25	-
Impairment allowance for doubtful debts (refer Note 11)	16.63	9.34
Impairment allowance for doubtful advances (refer Note 9 and 14)	-	2.55
Sundry balance written off	3.38	2.20
Directors' sitting fees	0.08	0.09
Payment to auditor (refer note below)	2.08	2.03
Insurance	21.20	22.00
Miscellaneous Expenses	68.33	82.22
Total	**1,380.06**	**1,367.14**
Note:		
Payment to auditor		
As Auditor		
Audit fees	0.80	0.80
Limited Review	1.20	1.20
In other capacity		
Certification fees	0.03	0.02
Out of pocket expenses	0.05	0.01
Total	**2.08**	**2.03**

32 Going Concern

In the earlier year, the Company has completed all the steps as laid down in the resolution plan approved by the National Company Law tribunal vide its order dated 8 March 2019 and the resolution applicants had obtained joint control over the Company and the Board of Directors had been re-constituted on 14 September 2020, being the closing date as determined by the Company in terms of the resolution plan.

During the FY 2022-23, owing to extreme volatility in raw material prices, subdued demand from overseas markets with hike in energy prices, the Company incurred a loss of ₹ 874.89 crore. It has accumulated losses of ₹ 21,285.88 crore and its current liabilities exceed its current assets by ₹ 918.44 crore as at 31 March 2023. The market condition is improving and considering the cash flow projection of the Company, the financial statements have been prepared on a going concern basis.

33 As per Clause 1.2 (xi) of Approved Resolution Plan, the outstanding debt amounting to ₹ 17,384.02 crore 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 requirements of Ind AS, as per legal view obtained by the Company in this regard. 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.

34 As on June 2017, the Company had an amount of ₹ 11,623.94 crore receivable from trading debtors on account of sale of fabric ("Outstanding Trading Dues"). As at 31 March 2019, the Company had created full provision against said receivables by charging it to the statement of profit and loss in earlier years. As per the Approved Resolution Plan, if any of the trading debtors make payment towards the Outstanding Trading Dues or any person is required to contribute to the assets of the Company under any legal process against the Outstanding Trading Dues and has contributed the same, such amounts (net of any income tax payable by the Company on account of such receipt of the Outstanding Trading Dues) shall be deposited in a designated escrow account ("Escrow Account") to be opened in the name of the Company. Provided however, nothing contained in the resolution plan shall oblige the Resolution Applicants or the Company to take steps for recovery of the Outstanding Trading Dues.

Accordingly, the Company has an obligation to deposit into the escrow account any collections received out of the "Outstanding Trading Dues" or otherwise, as stated above, for the benefit of the Financial Creditors and as a result therefore, the risk and reward associated with the Outstanding Trading Dues now belong to the Financial Creditors. Accordingly the Company had derecognised the said outstanding trade receivables and related provisions in the books. The Company has not received any amounts towards Outstanding Trading Dues in the current year.

35 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on preliminary assessment, the Company believes the impact of the change will not be significant.

36 Contingent Liabilities in respect of :

(₹ in crore)

Sr. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
A	Customs duty on shortfall in export obligation in accordance with Export Import Policy of India	17.72	23.09
B	Claims against the Company not acknowledged as debts	0.12	0.12
C	Take or Pay claim filed by GAIL (India) Limited under their long term Gas Sale Agreement (refer note 4 below)	-	343.06

Note

1 The Company has also issued a letter of comfort to Alok Infrastructure Limited, wholly owned subsidiary Company in order to meet its financial obligations. As on 31 March 2023, management has assessed that the possibility of outflow of resources embodying economic benefits with respect to the letter of comfort issued is remote.

2 Claims / Debts against the Company up to the closing date which are addressed under the NCLT approved resolution plan are not included in contingent liabilities though many of such claims / debts may be pending for disposal at various judicial forums. As per clause 3.3.4 of the aforesaid resolution plan, these liabilities stands extinguished.

Accordingly, the management has assessed that the possibility of outflow of resources embodying economic benefits with respect to such claims / debts is remote.

3 All direct and indirect tax liabilities relating to assessments of earlier year up to the closing date stand extinguished as per the NCLT approved resolution plan. Further, the implementation of the resolution plan does not have any effect over claims or receivables owed to the Company. Accordingly, the Company has assessed that any receivables due to the Company, evaluated based on merits of underlying litigations, from various governmental agencies continues to subsist.

4 The Company had entered into a 15-year Gas Sale Agreement (GSA) dated 27 May 2013 with GAIL India Limited ('GAIL') for the supply of re-liquified natural gas (RLNG) which included a Take or Pay (ToP) obligation on the Company. All of GAIL's claims against the Company were dealt with as per the provisions of the resolution plan which was submitted during the Corporate Insolvency Resolution Process of the Company and which was duly approved by the Hon'ble National Company Law Tribunal, Bench at Ahmedabad (NCLT) vide its dated 8 March 2019. For and in relation to the periods thereafter (post the closing date i.e. 14 September 2020), GAIL raised demands (which, as on 31 March 2023, aggregate to ₹ 717.95 Crores). These demands were made purportedly under the ToP regime of the said GSA, despite however the Hon'ble NCLT already having directed a re-negotiation of the GSA. Aggrieved, GAIL challenged the said order of the Hon'ble NCLT by preferring an appeal before the Hon'ble National Company Law Appellate Tribunal (NCLAT). GAIL's appeal, however, came to be dismissed by the Hon'ble NCLAT's order dated 4 October 2021. This order of Hon'ble NCLAT was then challenged by GAIL by preferring an appeal before the Hon'ble Supreme Court. Even this appeal of GAIL was dismissed by the Hon'ble Supreme Court by its order dated 21 March 2022.

In the circumstances, the Hon'ble NCLT's order, which was effective throughout and which had directed a renegotiation of the GSA under which GAIL made its claims, has thus now attained finality. The Company has since also sought legal opinion in the matter and based on it and the aforesaid circumstances, the Company is of the view that in terms of the order of the Hon'ble NCLT, there is no liability, either contingent or otherwise, under the GSA as claimed by GAIL or otherwise.

The Company has already in terms of the said order of the Hon'ble NCLT initiated the process for renegotiation of the GSA with GAIL and the same is pending finalization.

37 Capital Commitments

(₹ in crore)

Particulars	31st March, 2023	31st March, 2022
Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)	16.66	28.65

38 The Company has determined that there is no reasonable certainty that the deferred tax assets will be utilised in near future. On the basis of such assessment, the Company has not recognised any net deferred tax assets as at 31 March 2023.

39 Related Party Disclosure

As per Indian Accounting Standard 24 (IndAS-24) “Related Party Disclosures”, Company’s related party disclosures are as below:

A. List of related parties where control exists and relationships

(I) Subsidiaries

Sr. No.	Name of the Enterprise
1	Alok Infrastructure Limited
2	Alok Singapore PTE Limited
3	Alok International (Middle East) FZE
4	Alok Worldwide Limited
5	Grabal Alok (UK) Limited (liquidation under process)
6	Alok International Inc.
7	Alok Industries International Limited
8	Grabal Alok International Limited
9	Mileta a.s.

(II) Joint Ventures

Sr. No.	Name of the Enterprise
1	New City of Bombay Mfg. Mills Limited
2	Aurangabad Textiles and Apparel Parks Limited

(III) Parties having joint control over the Company

Sr. No.	Name of the Enterprise
1	Reliance Industries Limited
2	JM Financial Asset Reconstruction Company Limited Acting in its capacity as Trustee of JMFARC-March 2018-Trust

(IV) Key Management Personnel (KMP)

Sr. No.	Name of the KMP
1	Siddharth Achuthan, (Non-Executive, Independent Director)
2	Anil Kumar Rajbanshi, (Non-Executive, Non Independent Director)
3	Hemant Desai (Non-Executive, Non Independent Director)
4	Venkataraman Ramachandran (Non-Executive, Non Independent Director)
5	Nirav Parekh (Non-Executive, Non Independent Director)
6	Rahul Dutt (Non-Executive, Independent Director)
7	Mumtaz Bandukwala (Non-Executive, Independent Director)
8	Sunil O. Khandelwal, Manager
9	Bijay Agrawal, Chief Financial Officer
10	Hitesh Kanani, Company Secretary

(V) Members of the same Group (Reliance Industries Limited) with whom transactions are entered

Sr. No.	Name of the Enterprise
1	Reliance Retail Limited
2	Reliance Corporate IT Park Limited
3	Reliance Commercial Dealers Limited
4	Reliance Gas Pipelines Limited

5	Indiawin Sports Private Limited
6	Reliance Projects & Property Management Limited
7	Gujarat Chemical Port Limited
8	Dhirubhai Ambani International School
9	GLF Lifestyle Brands Private Limited
10	Brooks Brothers India Private Limited
11	Canali India Private Limited
12	Reliance Lifestyle Products Private Limited
13	Sir H N Hospital Trust
14	Reliance Foundation
15	Sikka Ports & Terminals Limited
16	Genesis La Mode Private Limited
17	GML India Fashion Private Limited
18	Reliance Brands Luxury Fashion Private Limited
19	Reliance Brands Limited
20	Marks and Spencer Reliance India Private Limited
21	Jamnagar Utilities and Power Private Limited
22	Ryohin-Keikaku Reliance India Private Limited
23	Reliance Paul & Shark Fashions Private Limited
24	Reliance Syngas Limited
25	Clarks Reliance Footwear Private Limited
26	Diesel Fashion India Reliance Private Limited
27	Hathway Cable & Datacom Limited
28	Reliance Bally India Private Limited
29	Reliance Jio Infocom Limited
30	Sintex Industries Limited (from 30 March 2023)
31	Jio Platforms Limited

B. Transactions with related parties and outstanding balances are as below.

Transactions during the year

(₹ in crore)

Nature of Relationship	Nature of transactions	2022-23	2021-22
Parties having joint control over the Company	- Sales of goods	64.83	90.15
	- Purchase of goods	3,068.25	3,082.20
	- Business support services	2.35	3.16
	- Interest on Preference Shares	23.46	24.25
	- Finance cost - others	12.81	-
Subsidiaries	- Sales of goods	1.13	0.67
	- Rent expense	6.56	5.31
Members of the same Group i.e. Reliance Industries Limited	- Sales of goods	338.36	239.16
	- Sale of duty credit scrips	82.57	33.03
	- Purchase of goods	0.80	0.92
	- Purchase of property, plant & equipment	-	0.01
	- Business support services	0.26	-
	- Internet expenses	0.35	0.25
	- Software implementation	0.50	-
Key Management Personnel	- Remuneration *	3.51	3.07

* This do not include the provision made for gratuity and expenses for Leave Encashment as they are determined on an actuarial basis for the Company as a whole

Outstanding as at 31st March

(₹ in crore)

Nature of Relationship	Nature of transactions	2022-23	2021-22
Parties having joint control over the Company	- 9% Optionally convertible preference shares	240.31	239.35
	- Borrowings	17,384.02	17,384.02
	- Trade receivables (Gross)	8.02	9.11
	Less: Impairment provision	(3.29)	(3.28)
	Net trade receivables	4.73	5.83
	- Trade payables	928.29	643.92
	- Interest Accrued but not due	69.53	47.03
Subsidiaries	- Long term loan given (Gross)	2,605.66	2,605.66
	Less : Impairment allowance on loans given	(2,423.54)	(2,423.54)
	Net Long term loan given	182.12	182.12
	- Non-current investments	46.63	46.63
	Less : Impairment in the value of investment	(46.63)	(46.63)
	Net non-current investments	-	-
	- Trade receivables (Gross)	5.58	4.48
	Less: Impairment provision	(4.67)	(4.28)
	Net trade receivables	0.91	0.20
	- Advance from customers	-	-
	- Trade payables	1.80	1.65
Joint Venture	- Non-current investments	92.38	92.38
	Less : Impairment in the value of investment	(92.38)	(92.38)
	Net non-current investments	-	-
Members of the same Group i.e. Reliance Industries Limited	- Trade receivables (Gross)	55.43	62.65
	Less: Impairment provision	(0.52)	(0.52)
	Net trade receivables	54.92	62.13
	- Other Receivables	-	12.86
	- Advance from customers	7.62	0.08
	- Trade payables	0.82	0.98
	- Advance to vendor	0.09	-
Key Management Personnel	- Remuneration payable	0.29	0.40

C. Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured, interest free and will be settled in cash. There have been no guarantees received or provided for any related party receivables or payables.

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

D. Disclosure in respect of significant transaction with related parties during the year

(₹ in crore)

Particulars	Year ended	
	31st March, 2023	31st March, 2022
Sales of goods		
Reliance Industries Limited	64.83	90.15
Reliance Retail Limited	335.07	237.19
Sir H N Hospital Trust	0.55	1.19
Mileta a.s.	1.13	0.67
	401.58	**329.20**
Sale of duty credit scrips		
Reliance Brands Limited	13.40	10.30
Marks and Spencer Reliance India Private Limited	34.37	9.75
Reliance Retail Ltd	11.97	-
Genesis La Mode Private Limited	4.66	5.10
Reliance Brands Luxury Fashion Private Limited	4.12	3.71
GLF Lifestyle Brands Private Limited	2.87	2.91
GML India Fashion Private Limited	4.97	1.25
	76.36	**33.02**
Purchase of goods		
Reliance Industries Limited	3,068.25	3,082.20
Reliance Retail Limited	0.50	0.92
	3,068.75	**3,083.12**
Purchase of property, plant & equipment		
Reliance Retail Limited	-	0.01
	-	**0.01**
Software implementation		
Jio Platforms Limited	0.50	-
	0.50	**-**
Rent Expense		
Alok International Inc.	6.56	5.31
	6.56	**5.31**
Business support service		
Reliance Industries Limited	2.35	3.16
Reliance Retail Ltd	0.26	-
	2.61	**3.16**
Internet Expense		
Reliance Jio Infocom Limited	0.30	0.22
Hathway Cable & Datacom Limited	0.05	0.03
	0.35	**0.25**
Interest on Preference Shares		
Reliance Industries Limited	23.46	24.25
	23.46	**24.25**
Finance cost - others		
Reliance Industries Limited	12.81	-
	12.81	**-**
Remuneration *		
Bijay Agrawal	0.94	0.86
Hitesh Kanani	0.71	0.70
Sunil O. Khandelwal	1.86	1.51
	3.51	**3.07**

Outstanding balances

(₹ in crore)

Particulars	As at	
	31st March, 2023	31st March, 2022
Borrowings		
(a) 9% Optionally convertible preference shares (including debt and equity component)		
Reliance Industries Limited	240.31	239.35
	240.31	**239.35**
(b) Borrowings		
Reliance Industries Limited	2,866.58	2,866.58
JM Financial Asset Reconstruction Company	14,517.44	14,517.44
	17,384.02	**17,384.02**
Trade payables		
Reliance Industries Limited	928.29	643.92
Alok International Inc.	1.80	1.65
Reliance Retail Limited	0.24	0.98
Jio Platforms Limited	0.57	-
	930.90	**646.55**
Interest Accrued but not due		
Reliance Industries Limited	69.53	47.03
	69.53	**47.03**
Loan given to Subsidiaries		
Alok Infrastructure Limited	1,372.99	1,372.99
Alok Industries International Limited	2.48	2.48
Grabal Alok (UK) Limited	76.35	76.35
Alok International Inc.	315.61	315.61
Alok Worldwide Limited	838.10	838.10
Grabal Alok International Limited	0.13	0.13
	2,605.66	**2,605.66**
Impairment allowance on loans given		
Alok Infrastructure Limited	(1,190.87)	(1,190.87)
Alok Industries International Limited	(2.48)	(2.48)
Grabal Alok (UK) Limited	(76.35)	(76.35)
Alok International Inc.	(315.61)	(315.61)
Alok Worldwide Limited	(838.10)	(838.10)
Grabal Alok International Limited	(0.13)	(0.13)
	(2,423.54)	**(2,423.54)**
Investments in Subsidiary		
Alok Infrastructure Limited	0.05	0.05
Alok International Inc. (₹ 43,225/-)	0.00	0.00
Alok Worldwide Limited (₹ 6,252/-)	0.00	0.00
Grabal Alok (UK) Limited	45.27	45.27
Alok Singapore Pte Limited (₹ 49/-)	0.00	0.00
Alok International (Middle East) FZE	1.31	1.31
	46.63	**46.63**
Impairment in value of investment in subsidiary		
Alok Infrastructure Limited	(0.05)	(0.05)
Alok International Inc. (₹ 43,225/-)	(0.00)	(0.00)
Alok Worldwide Limited (₹ 6,252/-)	(0.00)	(0.00)

(₹ in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Grabal Alok (UK) Limited	(45.27)	(45.27)
Alok Singapore Pte Limited (₹ 49/-)	(0.00)	(0.00)
Alok International (Middle East) FZE	(1.31)	(1.31)
	(46.63)	**(46.63)**
Investments in joint venture		
New City of Bombay Mfg Mills Limited	75.13	75.13
Aurangabad Textiles and Apparel Parks Limited	17.25	17.25
	92.38	**92.38**
Impairment in value of investment in joint venture		
New City of Bombay Mfg Mills Limited	(75.13)	(75.13)
Aurangabad Textiles and Apparel Parks Limited	(17.25)	(17.25)
	(92.38)	**(92.38)**
Trade receivables		
Reliance Industries Limited	8.02	9.11
Alok International Inc.	4.29	3.94
Alok Infrastructure Limited	0.33	0.33
Mileta a.s.	0.96	0.21
Reliance Retails Limited	55.40	62.55
	69.00	**76.14**
Trade receivables (Impairment allowance based on expected credit loss)		
Reliance Industries Limited	3.29	3.28
Alok International Inc.	4.29	3.94
Alok Infrastructure Limited	0.33	0.33
Reliance Retails Limited	0.52	0.47
Reliance Brands Limited	-	0.03
Genesis La Mode Private Limited	-	0.01
	8.43	**8.06**
Other Receivables		
Reliance Brands Limited (₹ 10,862/-)	0.00	6.16
GLF Lifestyle Brands Private Limited	-	2.91
Genesis La Mode Private Limited	-	2.89
	0.00	**11.96**
Advance from customers		
Sir H N Hospital Trust	0.05	0.08
Sintex Industries Limited (from 30 March 2023)	7.57	-
	7.62	**0.08**
Advance to vendor		
Sintex Industries Limited (from 30 March 2023)	0.09	-
	0.09	**-**
Remuneration payable *		
Bijay Agrawal	0.08	0.12
Hitesh Kanani	0.06	0.10
Sunil O. Khandelwal	0.15	0.18
	0.29	**0.40**

* This do not include the provision made for gratuity and expenses for Leave Encashment as they are determined on an actuarial basis for the Company as a whole

40 Earnings per share (EPS)

The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows:

(₹ in crore)

Particulars	31st March, 2023	31st March, 2022
Profit for the year attributable to equity holders of Company (₹ in Crore)	(874.89)	(184.18)
Weighted average number of equity shares outstanding for Basic EPS	4,965,240,401	4,965,240,401
Weighted average number of equity shares outstanding for diluted EPS	4,965,240,401	4,965,240,401
Earnings per share		
Basic (in ₹)	(1.76)	(0.37)
Diluted (in ₹)	(1.76)	(0.37)

Note: Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations. If the Potential ordinary shares are anti-dilutive then Basic EPS is considered for Dilutive EPS.

41 Disclosures Pursuant to – "Employee benefits":

i) Defined contribution plans:

The Company's contribution to Provident Fund for the year 2022-23 aggregating to ₹ 9.30 crore (Previous Year: ₹ 8.04 crore), ₹ 0.88 crore (Previous Year: ₹ 0.87 crore) for ESIC has been recognised in the statement of profit and loss under the head employee benefits expense. (Refer Note 28).

ii) Defined benefit plans:

a) Gratuity Plan:

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

The Company makes annual contribution to the Employee's Company Gratuity Assurance Scheme, a funded defined benefit plan for qualifying employees. The Fund invests in the scheme of insurance with the Life Insurance Corporation of India, IndiaFirst Life Insurance Company Limited, SBI Life Insurance Company Limited and Canara HSBC Life Insurance Company Limited. The scheme provides for lump sum payment to vested employees at retirement, 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.

The plans typically expose the Company to actuarial risks such as: interest rate risk, longevity risk and salary risk.

Interest risk : The plan exposes the Company to the risk off all in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity Risk : The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March, 2023 by KP Actuaries and Consultants LLP. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Project Unit Credit Method as per Ind AS 19.

The following table sets out the status of the gratuity plan for the year ended 31 March, 2023 as required under Ind AS 19.

(₹ in crore)

	Particulars	Gratuity (funded) as at	
		31st March, 2023	31st March, 2022
I.	**Change in Defined Benefit Obligation**		
	Opening Defined Benefit Obligation	47.40	41.15
	Current Service Cost	6.87	7.08
	Interest Cost	3.27	2.56
	Actuarial (Gain)	(4.99)	0.26
	Benefits Paid	(4.61)	(3.65)
	Closing Defined Benefit Obligation	**47.94**	**47.40**
II.	**Change in Fair Value of Plan Assets**		
	Opening Fair value of Plan Assets	23.86	20.41
	Investment Income	1.65	1.27
	Actuarial gain/(loss)	-	-
	Contribution by Employer	7.53	6.06
	Benefits Paid	(5.87)	(3.64)
	Return on plan assets, excluding amount recognised in net interest expense	-	(0.24)
	Closing fair value of plan assets	**27.17**	**23.86**
III.	**Net Liability recognised in the Balance Sheet**	**20.77**	**23.54**
IV.	**a) Expense recognised in statement of Profit and Loss**		
	Current Service Cost	6.87	7.08
	Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	1.62	1.23
	Total included in employment expenses	**8.49**	**8.31**
	b) Included in other Comprehensive Income	**(4.23)**	**0.50**
V.	**Actual return on Plan Assets**	**-**	**0.24**
VI.	**Investments details (Invested through Trustees of Alok Industries Limited Employees Group Gratuity Assurance Scheme):**		
	Insurer Managed Funds	27.17	23.86
		100%	100%
VII.	**The assumptions used in accounting for the gratuity are set out below:**		
	Discount rate	7.40%	6.90%
	Rate of increase in compensation levels of covered employees	6.00%	6.00%
	Rate of return on plan assets *	6.90%	6.25%
	Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
	Attrition / withdrawal rate	8%	8%
VIII.	**Future contribution :**		
	Amount expected to be contributed in the next 12 months	28.17	31.60

* Expected rate of return on plan assets is based on expectation of the average long term rate of return expected to prevail over the estimated term of the obligation on the type of the investments assumed to be held by respective insurance companies (as above), since the fund is managed by Insurer. The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotions and other relevant factors.

Experience Adjustments:

(₹ in crore)

Particulars	Year Ended				
	31st March, 2023	31st March, 2022	31st March, 2021	31st March, 2020	31st March, 2019
Defined benefit obligation	47.94	47.40	41.15	40.15	38.26
Plan Assets	27.17	23.86	20.41	19.50	8.66
Surplus / (Deficit)	(20.77)	(23.54)	(20.75)	(20.65)	(29.60)
Experience Adjustments on Plan Liabilities	(3.18)	2.71	(2.89)	(6.16)	(0.82)

Asset Allocation:

Since the investments are held in the form of deposit with the fund managers, these are not volatile and the market value of assets is the cost value of assets and has been accordingly considered for the above disclosure.

Sensitivity Analysis:

(₹ in crore)

Particulars	31st March, 2023	31st March, 2022
Defined Benefit Obligation (Base)	47.94	47.40

(₹ in crore)

Particulars	31st March, 2023		31st March, 2022	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+1%)	51.69	44.67	51.28	44.02
(%change compared to base due to sensitivity)	7.80%	-6.80%	8.2%	-7.1%
Salary Growth Rate (-/+1%)	44.75	51.51	44.15	51.04
(% change compared to base due to sensitivity)	-6.70%	7.40%	-6.9%	7.7%
Attrition Rate (-/+50% of attrition rates)	46.72	48.53	46.67	47.70
(% change compared to base due to sensitivity)	-2.60%	1.20%	-1.6%	0.6%
Mortality Rate (-/+10%of mortality rates)	47.93	47.96	47.40	47.42
(%change compared to base due to sensitivity)	0.00%	0.00%	0.0%	0.0%

Maturity Profile of Defined Benefit Obligation

(₹ in crore)

Expected cash flows over the next (valued on undiscounted basis):	Amount
1 year	6.68
2 to 5 years	20.03
6 to 10 years	22.36
More than 10 years	45.73

42 Segment Information:

The Chief Operating Decision Maker (CODM) monitors the operating results at the Company level for the purpose of making decisions about resource allocation and performance assessment. Accordingly, the Company operates in a single primary segment namely "Textiles", which constitutes a reportable segment as per Ind AS 108.

a. Geographic Information

(₹ in crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Revenue from operations from customers within India	5,706.06	5,562.10
Revenue from operations from customers outside India	1,042.26	1,588.81
	6,748.32	**7,150.91**

b. Major Customer

There are no customers who individually contribute more than 10% of Company's total Revenue.

c. Segment assets

(₹ in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Assets within India	7,012.81	7,735.77
Assets outside India	147.29	198.77
	7,160.10	**7,934.54**

43 Capital Management and Financial Management Framework:

The Company being in a working capital intensive industry, its objective is to maintain a strong credit rating, healthy ratios and establish a capital structure that would maximize the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its capex, working capital, repayment of principal and interest on its borrowings. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Company is not subject to any externally imposed capital requirements.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Since net worth of the Company is negative, debt equity ratio is not calculated.

The key risks associated with day to day operations of the Company and working capital management are given below:

A. Credit Risk:

Credit risk is the risk that counter party will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The Company is exposed to credit risk mainly from trade receivables and other financial assets.

i) Trade Receivables:

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables. Concentrations of credit risk with respect to trade receivables are limited.

The following table gives details in respect of percentage of revenue generated from the top ten customers.

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Revenue from top 10 customers	23%	24%

ii) Other Financial Assets & loans

The Company has limited credit risk arising from cash and cash equivalents as the deposits are maintained with banks and financial institutions with high credit rating. Further, other financial assets mainly comprises of Export incentives which are recoverable from Government. Hence, these are low risk items and the Company evaluates the recoverability of these financial assets at each reporting date and wherever required, a provision is created against the same.

The Company had in earlier years given loans to its subsidiaries/a Company in which erstwhile directors were interested of ₹ 1,465.99 crore, which are fully provided for in the books. The net exposure of ₹ 182.12 crore is with respect of one wholly owned subsidiary whereby the Company has impaired to the extent of the fair valuation of the subsidiary's investment properties / inventories.

B. Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks – interest rate risk, currency risk and other price risk in a fluctuating market environment. Financial instrument affected by market risks includes loans and borrowings, deposits, derivatives and other financial assets.

i) Currency Risk

The Company's functional currency is Indian Rupees (INR). The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's revenue from export markets and the costs of imports. The Company has exports and to that extent has a natural hedge as a mitigation measure to cover foreign exchange risk on account of imports/ expenses in foreign currency. The Company hedges its foreign currency risk by entering into forward contracts.

Derivatives outstanding as at the reporting date (in respective currency) as at 31 March, 2023 and 31 March, 2022

(Amount in crore)

Particulars of Transactions	Year	Currency	Foreign Currency	INR
Forward cover to Sale USD – Trade Receivables	2022-23	USD	0.8	65.77
Forward cover to Sale USD – Trade Receivables	2021-22	USD	3	226.76

Particulars of unhedged foreign currency exposure as at the reporting date

(Amount in crore)

Particulars of Transactions	Currency	31st March 2023		31st March 2022	
		Foreign Currency	INR. (in crore)	Foreign Currency	INR. (in crore)
Import trade payable	USD	0.43	35.33	0.25	19.18
	EUR	0.002	0.21	0.004	0.33
	CHF	0.002	0.19	0.003	0.21
	GBP	-	-	0.002	0.18
	JPY	4.75	2.94	7.26	4.50
Export trade receivable	USD	1.64	135.17	3.33	251.85
	EUR	0.04	3.58	0.08	6.44

Foreign Currency Sensitivity

5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit and negative number below indicates a decrease in profit.

Following is the analysis of change in profit and pre-tax equity where the Indian Rupee strengthens and weakens by 5% against the relevant currency:

(₹ in crore)

Currency	Effect on profit before tax Change in rate (upward 5%)		Effect on profit before tax Change in rate (downward 5%)	
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
CHF	(0.01)	(0.01)	0.01	0.01
Euro	0.17	0.31	(0.17)	(0.31)
JPY	(0.15)	(0.23)	0.15	0.23
USD	4.99	11.63	(4.99)	(11.63)
GBP	-	(0.01)	-	0.01

ii) Interest rate risk

a. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations. The risk is managed by the Company by maintaining a mix between fixed and floating rate borrowings.

b. The profile of the Company's fixed and floating rate borrowings is given below:

(₹ in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Variable interest rate borrowings	5,059.68	5,353.43
Fixed interest rate borrowings	240.31	239.35

The Company has a long term borrowing of ₹ 17,384.02 crore which is interest free for a period of 8 years as per the resolution plan (Refer note 33). Being interest free, there is no interest rate risk on this loan for the next 6 years.

Interest rate sensitivity

If interest rates had been 50 basis points higher/lower and all other variables were held constant, following is the impact on profit and pre-tax equity. A positive effect is decrease in profit and negative effect is increase in profit.

(₹ in crore)

Particulars	Currency	Increase / decrease in basis points	Effect on profit before tax
31st March, 2023	INR	50	25.36
	INR	(50)	(25.36)
31st March, 2022	INR	50	26.85
	INR	(50)	(26.85)

iii) Commodity Price Risk

Commodity price risk arises due to fluctuation in prices of raw materials like PTA, MEG, cotton and yarn. The Company has a risk management framework aimed at prudently managing the risk arising from the volatility in commodity prices and freight costs. The Company's commodity risk is managed centrally through well-established trading operations and control processes.

C. Financial risk management objectives

The Company has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

D. Liquidity Risk:

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure for capex. The Company generates sufficient cash flow from operations, which together with the available cash and cash equivalents provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk through cash generated from operations, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. As at 31 March 2023, the Company has undrawn committed borrowing facilities amounting to ₹ 56.84 crore and the Company expects to enjoy all the working capital limits sanctioned to it in FY 23-24.

During the current year, due to the adverse market situation, the Company's performance has been impacted, which has led to breach of some of the financial covenants of the term loans. The Company is regular in payment of interest and repayment of loan instalments and expects to meet all future obligations as and when due and hence the said covenant default is not expected to have any adverse impact on the financial statements.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Year 2022-23 (₹ in crore)

Particulars	On Demand	Less Than 1 Year	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years	Total	Carrying value
Non Derivative financial instruments								
9% Optionally convertible preference shares	-	-	-	-	-	250.00	250.00	240.31
Long term borrowings	-	604.75	954.48	1,004.47	1,089.35	18,521.09	22,174.14	22,174.14
Short term borrowings								
Cash Credit Facilities / Working Capital Loan	269.56	-	-	-	-	-	269.56	269.56
Trade payables								
Trade payables-Micro and small enterprises	-	55.69	-	-	-	-	55.69	55.69
Trade payables-other than micro and small enterprises	-	1,436.42	-	-	-	-	1,436.42	1,436.42
Other payables	-	133.14	-	-	-	-	133.14	133.14

Year 2022-23 (₹ in crore)

Particulars	On Demand	Less Than 1 Year	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years	Total	Carrying value
Other financial liabilities								
Interest accrued on borrowings	0.37	-	-	-	-	69.53	69.90	69.90
Other Interest accrued	-	-	-	-	-	-	-	-
Lease liabilities		5.06	5.06	2.53	-	-	12.65	11.38
Creditors for Capital Supplies/ Services	-	0.28	-	-	-	-	0.28	0.28
Deposit from Vendors	16.59		-	-	-	-	16.59	16.59
Total	**286.52**	**2,235.34**	**959.54**	**1,007.00**	**1,089.35**	**18,840.62**	**24,418.37**	**24,407.41**

Year 2021-22 (₹ in crore)

Particulars	On Demand	Less Than 1 Year	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years	Total	Carrying value
Non Derivative financial instruments								
9% Optionally convertible preference shares	-	-	-	-	-	250.00	250.00	239.35
Long term borrowings	-	334.84	604.75	954.48	1,004.47	19,605.29	22,503.83	22,503.83
Short term borrowings								
Cash Credit Facilities / Working Capital Loan	233.63	-	-	-	-	-	233.63	233.63
Trade payables	-	-	-	-	-	-		
Trade payables-Micro and small enterprises	-	58.23	-	-	-	-	58.23	58.23
Trade payables-other than micro and small enterprises	-	1,138.95	-	-	-	-	1,138.95	1,138.95
Other payables	-	87.29	-	-	-	-	87.29	87.29
Other financial liabilities								
Interest accrued on borrowings	0.33	-	-	-	-	47.03	47.36	47.36
Other Interest accrued	-	1.14	-	-	-	-	1.14	1.14
Creditors for Capital Supplies/ Services	-	0.14	-	-	-	-	0.14	0.14
Total	**233.96**	**1,620.59**	**604.75**	**954.48**	**1,004.47**	**19,902.32**	**24,320.57**	**24,309.92**

44 Fair value Measurement

(₹ in crore)

Sr. No.	Particulars	31st March, 2023	31st March, 2022
A.	**Financial Assets**		
I)	**Measured at amortised cost**		
(i)	Investments	0.05	0.05
(ii)	Loans	182.12	182.12
(iii)	Trade receivable	293.64	462.25
(iv)	Other receivables	11.76	71.53
(v)	Cash and cash equivalent	0.79	5.19
(vi)	Other bank balances	39.27	35.20
(vii)	Security deposits	2.87	2.85
(viii)	Other financial assets	1.04	2.08
II)	**Measured at fair value through profit & loss (FVTPL)**		
	Other financial assets		
	Derivative Asset (Forward Contract)	0.15	2.00
	Total Financial Assets	**531.69**	**763.27**
B	**Financial Liabilities**		
I)	**Measured at amortised cost**		
(i)	Borrowings (refer note 34)	22,684.01	22,976.81
(ii)	Lease liabilities	11.38	-
(iii)	Trade payable	1,492.11	1,197.18
(iv)	Other financial liabilities	86.77	48.64
(v)	Other payables	133.14	87.29
II)	**Measured at fair value through profit & loss (FVTPL)**		
	Other financial assets		
	Derivative Asset (Forward Contract)	-	-
	Total Financial Liabilities	**24,407.41**	**24,309.92**

Set out below, is a fair value measurement hierarchy and comparison by class of carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts which are reasonable approximations of their fair values:

As at 31-Mar-2023				**Fair values measurement using**		
Particulars	**Valuation Techniques**	**Carrying values**	**Fair Values**	**Level 1**	**Level 2**	**Level 3**
Other financial assets						
Derivative Asset (Forward Contract)	Mark to Market	0.15	0.15	-	0.15	-

As at 31-Mar-2022				**Fair values measurement using**		
Particulars	**Valuation Techniques**	**Carrying values**	**Fair Values**	**Level 1**	**Level 2**	**Level 3**
Other financial assets						
Derivative Asset (Forward Contract)	Mark to Market	2	2	-	2	-

Fair value hierarchy

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instrument by valuation technique:

(i) Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities;

(ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

(iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

There has been no transfers between level 1 & level 2 during the period.

45 Lease Disclosures

Company as a lessee

The Company has lease contracts for land used in its operations, which has a lease terms of 95 years. As per the terms of lease, the Company was required to make one-time advance lease payment for the leased land. Hence, following the terms of the leased agreement, the Company has made the one-time lease payment and consequently, there are no lease liabilities recorded in the Balance Sheet as at 31 March, 2023.

The Company has also entered into new lease contracts (from 1 October 2022), for factory buildings with tenure of 10 years with a lock in period of 3 years.

Refer note 2 for disclosure relating to right of use assets.

Set out below are the carrying amounts of lease liabilities (on the face of Balance sheet under Financial Liabilities) and the movements during the period:

(₹ in crore)

Particulars	31st March, 2023	31st March, 2022
Opening Balance	-	-
Additions/Deletions	13.37	-
Accretion of Interest	0.54	-
Payments	(2.53)	-
Closing Balance	11.38	-
Current	4.25	-
Non-Current	7.13	-

The following are the amounts recognised in statement of profit and loss:

(₹ in crore)

Particulars	31st March, 2023	31st March, 2022
Depreciation expense of right-of-use assets	2.37	0.18
Interest expense on lease liabilities	0.54	-
Rent Expense relating to short term leases (included in other expenses)	14.17	14.68
Total amount recognised in profit or loss	**17.08**	**14.86**

The Company had total cash outflows for leases of INR ₹ 2.53 crore in 31 March, 2023 (Previous Year: ₹ Nil). incremental borrowing rate for lease liabilities is 9%.

Extension and termination option

The lease of building contain termination options exercisable by both the lessor and the lessee after the end of the non-cancellable contract period. Where practicable, the Company seeks to include termination options in new leases to provide economic viability. The Company assesses at lease commencement whether it is reasonably certain to exercise the termination options. The Company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

Company as a lessor

The Company has entered into leases on its investment property portfolio consisting of certain Residential flats and commercial buildings (see Note 3). These leases have terms of between 5 and 20 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Rental income recognised by the Company during the year is ₹ 0.46 crore (2021-22: ₹ 0.25 crore). There are no non-cancellable leases.

46 The Company had granted interest free loan in earlier years (prior to corporate insolvency resolution process) to a company which is outstanding as at the year-end amounting to ₹ 233.32 crores (against which an impairment allowance of ₹ 233.32 crores is made). Further, the Company had granted interest free loan in earlier years (prior to the corporate insolvency resolution process) to its wholly owned subsidiaries ('WOS') which are outstanding as at the year-end amounting to ₹ 2,605.66 crores (against which an impairment allowance of ₹ 2,423.54 crores is made). Based on legal opinion obtained by the Company, the provisions of section 186 of the Companies Act, 2013 are not applicable to all such interest free loans granted under the erstwhile Companies Act, 1956 and by virtue of the resolution plan approved by the NCLT, any claim from the authorities with respect to the breach / contravention / non-compliance of any Applicable law is abated, settled and extinguished as at the closing date (i.e. 14 September 2020).

47 As per Section 135 of the Companies Act, 2013, a company meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects.

A CSR committee has been formed by the Company as per the Act. The Company has incurred losses in current and in previous years, Accordingly, as the average net profit for immediately preceding three financial years is NIL there are no amounts required to be spend on corporate social responsibility under section 135 of the Companies Act, 2013. Consequently, there are no unspent amount on ongoing projects / other than ongoing projects.

48 In the earlier year, on 22 March 2021, the NCLT has passed the order for withdrawal of the corporate insolvency resolution process for Alok Infrastructure Limited ("AIL"), wholly owned subsidiary of the Company. Post this, the subsidiary had also performed a valuation of its investment properties / inventories with the help of external valuation specialists and accordingly considered impairment in its books in earlier years. AIL do not have significant business operations and has made a loss of ₹ 12.84 crore for the year ended 31 March 2023 and has accumulated losses of ₹ 1505.23 crore as on 31 March 2023. During the current year, the said subsidiary has also reassessed the valuation of its investment properties / inventories with the help of external valuation specialist and there are no significant change in the valuation and accordingly the impairment provision made in earlier years is adequate (refer note 6).

49. The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Further, the Company has not received any funds from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

50 Other Disclosure

a. There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

b. The Company has not entered into any transactions with struck off companies during the year.

c. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

d. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

e. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

f. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

g. The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

51 Ratios including reason for variance of more than 25% as required by Schedule III

Sr. No.	Ratio	Numerator	Denominator	31 March 2023	31 March 2022	% change
1	Current ratio	Current Assets	Current Liabilities	0.64	1.11	(42.34)
	Reason for variance – change is on account of reduction in current assets (mainly inventories & trade receivables) and increase in current liabilities (mainly trade payables & current maturities of long term borrowings)					
2	Debt- Equity Ratio	Total Debt (Borrowings)	Shareholder’s Equity	(1.31)	(1.40)	(6.43)
3	Debt Service Coverage ratio	Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Interest Expense + Principal Repayments made during the year for long term loans	(0.06)	1.32	(104.55)
	Reason for variance – change is on account of increase in loss for the year					
4	Return on Equity ratio	Profit / (loss) for the period before exceptional items	Average Shareholder’s Equity	0.05	0.01	400.00
	Reason for variance – change is on account of increase in loss for the year					
5	Inventory Turnover ratio	Cost of goods sold = Cost of material consumed + Change in inventory	Average Inventory	4.70	4.66	0.86
6	Trade Receivable Turnover Ratio	Revenue from Operations	Average Trade Receivable	17.86	19.26	(7.27)
7	Trade Payable Turnover Ratio	Purchase of raw material (Note 26), purchase of packing material (Note 26), Purchase of stock in trade + Other expenses excluding impairment & loss on sale of asset (Note 31)	Average Trade Payables	4.30	5.64	(23.76)
8	Net Capital Turnover Ratio	Revenue from operations	Working capital = Current assets – Current liabilities	(7.35)	33.07	(122.23)
	Reason for variance – change is on account of reduction in current assets (mainly inventories & trade receivables) and increase in current liabilities (mainly trade payables & current maturities of long term borrowings)					
9	Net Profit ratio	Profit / (loss) for the period before exceptional items	Revenue from operations	(0.13)	(0.03)	333.33
	Reason for variance – change is on account of increase in loss for the year					
10	Return on Capital Employed	Earnings before interest, tax and exceptional items	Average Capital Employed = Total Equity + Total Debt	(0.07)	0.04	(275.00)
	Reason for variance – change is on account of increase in loss for the year					
11	Return on Investment	Interest (Finance Income)	Average cash & cash equivalent	0.05	0.02	150.00
	Reason for variance – change is on account of reduced average cash and cash equivalent in current year.					

52 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date

For and on behalf of the Board of Directors of
Alok Industries Limited

For S R B C & CO LLP Chartered Accountants ICAI firm registration number - 324982E/E300003	**Sunil Khandelwal** Manager	**A. Siddharth**	(Chairman)	(DIN:00016278)
	Bijay Agrawal Chief Financial Officer	**Mumtaz Bandukwala**	(Non-Executive, Independent Director)	(DIN:07129301)
		Rahul Dutt	(Non-Executive, Independent Director)	(DIN:08872616)
per Pramod Kumar Bapna Partner Membership Number: 105497	**Hitesh Kanani** Company Secretary	**Hemant Desai**	(Non-Executive, Non Independent Director)	(DIN:00008531)
		Anil Kumar Rajbanshi	(Non-Executive, Non Independent Director)	(DIN:03370674)
		V. Ramachandran	(Non-Executive, Non Independent Director)	(DIN:02032853)
		Nirav Parekh	(Non-Executive, Non Independent Director)	(DIN:09505075)
Place: Mumbai Date: 19th April 2023	Place: Mumbai Date: 19th April 2023			

Corporate Identity Number of Alok Industries Limited - L17110DN1986PLC000334

AUDITOR'S REPORT on Consolidated Financial Statement

To the Members of Alok Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Alok Industries Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and it's joint ventures comprising of the consolidated Balance sheet as at March 31 2023, the consolidated Statement of Profit and Loss, including other comprehensive loss, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and joint ventures as at March 31, 2023, their consolidated loss including other comprehensive loss, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and joint ventures in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to Note 32 of the consolidated financial statements in respect of the 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. Based on the resolution plan, read with the legal opinion, 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 recognize the assigned debt at its fair value and accordingly the imputed interest cost over the period of the loan. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
A. Recoverability of carrying value of Property, plant and equipment, Investment Properties / Inventories.	
As at March 31, 2023 the Holding Company has Property, Plant and equipment of ₹ 5,219.89 crores. In earlier years consequent to the business plan approved by the re-constituted Board of Directors of the Holding Company, the Holding Company had through an external valuation specialist determined the value in use of property, plant and equipment and recorded an impairment provision of ₹ 8,227.80 crores in the books. Based on recent business developments and changes in economy, the Board has made required revisions to the business plan and has accordingly updated the value in use calculations using the discounted cash flow method with the help of an external valuation specialist. Based on the same, the Holding Company has determined there are no material adjustments required to the impairment allowance already recorded. The value in use is sensitive to changes in certain inputs / assumptions used for forecasting the discounted cash flow projections due to inherent uncertainty involved in these assumptions. Accordingly, the same has been considered as a key audit matter. The auditors of Alok Infrastructure Limited have reported a key audit matter with respect to the fair valuation of the assets performed by the management by involving an independent valuer to assess the recoverability of the carrying value of its investment properties / inventories.	Our audit procedures included the following: • We obtained an understanding, evaluated the design and tested the operating effectiveness of controls that the Holding Company has in relation to impairment review processes. • We assessed the Holding Company's valuation methodology applied in determining the recoverable amount. In making this assessment, we evaluated the competence and objectivity of Holding Company's internal specialists involved in the process. • We assessed the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used. • We discussed with the management changes in key drivers as compared to the previous year to evaluate the reasonableness of the inputs and assumptions used in the cash flow forecasts. • In respect of the key audit matter reported to us by the auditor of Alok Infrastructure Limited, we performed inquiry of the audit procedures performed by them to address the key audit matter. As reported to us by the subsidiary auditor, the following procedures have been performed by them: o Reviewed the valuation report of the independent valuer and the methodologies adopted by the valuer for ascertaining fair value • Assessed the disclosures made in the consolidated financial statements.
B. Contingent liabilities	

As at March 31, 2023, the Holding Company had the following matters where management has assessed the possibility of outflow of resources embodying economic benefits.
a) Take or pay obligation under the long term gas sale agreement with GAIL India Limited. Refer Note 38 of consolidated financial statements.
b) Tax liabilities with respect to open assessments for assessment years prior to the closing date as per the NCLT approved resolution plan. Refer Note 38 of consolidated financial statements.
 	
Management's judgement regarding recognition and measurement of provisions for these matters is inherently uncertain and might change over time as the outcomes of the litigations / discussions are determined.
 	
Accordingly, it has been considered as a key audit matter
 	
The auditors of Alok Infrastructure Limited have reported a key audit matter with respect to ₹ 17.33 crores paid under protest by the subsidiary to Peninsula Land Limited in view of the settlement of arbitration proceedings between the subsidiary company and Peninsula Land Limited through execution of a consent award dated June 17, 2017. As per the consent terms, the subsidiary was liable to pay Maharashtra Valued Added Tax (MVAT) and interest thereon in respect to the purchase of real estate property. In so far as the MVAT amount is concerned, the same has been paid by the subsidiary. There is however, an outstanding claim with respect to the potential interest on MVAT which not been fully crystallized as the issue with respect to the liability to pay interest is pending before the Hon'ble Supreme Court. Refer Note 38 of consolidated financial statements.
	Our audit procedures included the following:
	• Obtained and read the long-term gas supply agreement between the Company and GAIL India Limited.
	• Assessed the management's position through discussions with the in-house legal expert.
	• Discussed with the management on the development in these matters during the year ended March 31, 2023 along with obtaining underlying documentation for the same, including communication with counterparties.
	• Examined the management assessment with respect to possibility of outflow of resources embodying economic benefits in relation to these matters, including independent opinion obtained by the management by involving legal specialists.
	• Evaluated the objectivity and independence of the legal specialists.
	• Reviewed the disclosures made in the consolidated financial statements in this regard.
	• Obtained representation letter from the management on the assessment of these matters.
	• In respect of the key audit matter reported to us by the auditor of Alok Infrastructure Limited, we performed inquiry of the audit procedures performed by them to address the key audit matter. As reported to us by the subsidiary auditor, the following procedures have been performed by them:
	  o Obtained and read the consent award dated June 17, 2017 between the subsidiary Company and Peninsula Land Limited.
	  o Examined management assessment with respect to classification as a contingent liability and obtained representation letter from the management.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's report, management discussion and analysis section of the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive loss, consolidated cash flows and consolidated statement of changes in equity of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its joint ventures are also responsible for overseeing the financial reporting process of their respective companies.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint ventures of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 7 subsidiaries, whose financial statements include total assets of ₹ 1,714.31 crores as at March 31, 2023, and total revenues of ₹ Nil and net cash inflows of ₹ 0.07 crores for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 1 subsidiary, whose financial statements and other financial information reflect total assets of ₹ 211.35 crores as at March 31, 2023, and total revenues of ₹ 190.09 crores and net cash outflows of ₹ 0.46 crores for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated financial statements also include the Group's share of net loss of ₹ 0.97 crores for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of 2 joint ventures, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of the subsidiary and joint ventures and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary and joint ventures, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary incorporated in India, as noted in the 'Other Matter'

paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

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

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiaries, none of the directors of the Group's company, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion and based on the consideration of reports of other statutory auditor of the subsidiary, incorporated in India, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Holding Company, its subsidiaries and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint ventures, as noted in the 'Other matter' paragraph:

      i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its joint ventures in its consolidated financial statements – Refer Note 38 to the consolidated financial statements;

      ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary, incorporated in India during the year ended March 31, 2023.

      iv. a) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary respectively that, to the best of its knowledge and belief, other than as disclosed in the Note 51 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary to or in any other persons or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      b) The respective managements of the Holding Company and its subsidiary which are companies incorporated in

India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary respectively that, to the best of its knowledge and belief, other than as disclosed in the Note 51 to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiary from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditor of the subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) No dividend has been declared or paid during the year by the Holding Company and its subsidiary company, incorporated in India.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. April 1, 2023 for the Holding Company, its subsidiaries and joint venture companies incorporated in India, hence reporting under this clause is not applicable.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Pramod Kumar Bapna
Partner
Membership Number: 105497
UDIN: 23105497BGXBNL2110

Place : Mumbai
Date: April 19, 2023

ANNEXURE 1 to the independent Auditor's Report of even date on the consolidated financial statements of Alok Industries Limited

(Referred to in paragraph 1, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(xxi). Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

S. No.	Name	CIN	Holding company / subsidiary / joint venture	Clause number of the CARO report which is qualified or is adverse
1.	Alok Industries Limited	L17110DN1986PLC000334	Holding Company	i (c), iii (c), iii (d) and iii (e)

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Pramod Kumar Bapna
Partner
Membership Number: 105497
UDIN: 23105497BGXBNL2110

Place : Mumbai
Date: April 19, 2023

ANNEXURE 2 to the independent Auditor's Report of even date on the consolidated financial statements of Alok Industries Limited

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

In conjunction with our audit of the consolidated financial statements of Alok Industries Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to these Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group and its joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to this 1 subsidiary, which is a company incorporated in India, is based on the corresponding reports of the auditor of such subsidiary incorporated in India.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Pramod Kumar Bapna
Partner
Membership Number: 105497
UDIN: 23105497BGXBNL2110

Place : Mumbai
Date: April 19, 2023

CONSOLIDATED BALANCE SHEET

As At 31st March, 2023

(₹ In Crore)

Particulars	Notes	As at 31st March, 2023	As at 31st March, 2022
Assets			
(1) Non-current assets			
(a) Property, plant and equipment	2	5,294.85	5,605.56
(b) Capital work-in-progress	4	15.01	7.57
(c) Investment property	3	199.69	200.41
(d) Other intangible assets	2	0.60	0.14
(e) Right-of-use assets	2	24.39	13.39
(f) Financial assets			
(i) Investments	5	0.05	0.05
(ii) Loans	6	-	-
(ii) Other financial assets	12(a)	21.49	22.41
(g) Deferred tax assets (net)	7	6.75	6.12
(h) Other non current assets	8	90.64	105.95
Total non-current assets		**5,653.47**	**5,961.60**
(2) Current assets			
(a) Inventories	9	1,039.03	1,284.42
(b) Financial assets			
(i) Trade receivables	10	344.74	503.79
(ii) Cash and cash equivalents	11	13.86	16.95
(iii) Bank balances other than (ii) above	12(b)	45.79	42.37
(iv) Other financial assets	13	11.92	73.54
(c) Other current assets	8	352.30	344.90
Total current assets		**1,807.64**	**2,265.97**
Total assets		**7,461.11**	**8,227.57**
Equity and liability			
(1) Equity			
(a) Equity share capital	14	496.53	496.53
(b) Other equity	15	(19,396.96)	(18,403.84)
Total equity		**(18,900.43)**	**(17,907.31)**
Liability			
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	21,830.74	22,434.98
(ii) Lease liabilities	49	7.13	-
(iii) Other financial liabilities	21	69.53	47.03
(b) Provisions	17	41.43	42.14
Total non-current liabilities		**21,948.83**	**22,524.15**
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	2,320.60	1,906.50
(ii) Lease liabilities	49	4.25	-
(iii) Trade payables	19		
- Total outstanding dues to micro, small and medium enterprises		55.69	58.23
- total outstanding dues to others		1,569.62	1,267.51
(iv) Other payables	20	166.80	121.62
(v) Other financial liabilities	21	79.06	50.88
(b) Provisions	17	6.98	5.52
(c) Other current liabilities	22	209.71	200.47
Total current liabilities		**4,412.71**	**3,610.73**
Total equity and liability		**7,461.11**	**8,227.57**
Summary of significant accounting policies	1		
The accompanying notes are an integral part of the consolidated financial statements	2 to 53		

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI firm registration number - 324982E/E300003

per Pramod Kumar Bapna
Partner
Membership Number: 105497

Place: Mumbai
Date: 19th April 2023

Sunil Khandelwal
Manager

Bijay Agrawal
Chief Financial Officer

Hitesh Kanani
Company Secretary

Place: Mumbai
Date: 19th April 2023

For and on behalf of the Board of Directors of
Alok Industries Limited

A. Siddharth	(Chairman)	(DIN:00016278)
Mumtaz Bandukwala	(Non-Executive, Independent Director)	(DIN:07129301)
Rahul Dutt	(Non-Executive, Independent Director)	(DIN:08872616)
Hemant Desai	Non-Executive, Non Independent Director	(DIN:00008531)
Anil Kumar Rajbanshi	Non-Executive, Non Independent Director	(DIN:03370674)
V. Ramachandran	Non-Executive, Non Independent Director	(DIN:02032853)
Nirav Parekh	Non-Executive, Non Independent Director	(DIN:09505075)

Corporate Identity Number of Alok Industries Limited - L17110DN1986PLC000334

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
For The Year Ended 31st March, 2023

ALOK INDUSTRIES LIMITED

(₹ In Crore)

Particulars			Notes	Year ended 31st March, 2023	Year ended 31st March, 2022
(1)	**Revenue**				
	(a)	Revenue from operations	23	6,937.29	7,309.50
	(b)	Other income	24	64.72	44.91
	Total revenue			**7,002.01**	**7,354.41**
(2)	**Expenses:**				
	(a)	Cost of materials consumed	25	4,844.55	5,154.70
	(b)	Purchase of traded goods		18.10	6.88
	(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	223.41	(277.53)
	(d)	Employee benefits expense	27	491.73	449.30
	(e)	Finance costs	28	501.24	476.20
	(f)	Depreciation and amortisation expense	29	364.91	342.16
	(g)	Other expenses	30	1,437.05	1,411.14
	Total expenses			**7,880.99**	**7,562.85**
(3)	**Loss before share of profit/(loss) of Joint Ventures and tax (1-2)**			(878.98)	(208.44)
(4)	Share of loss from joint ventures			(0.97)	(0.98)
(5)	**Loss before tax (3+4)**			**(879.95)**	**(209.42)**
(6)	**Tax expenses / (benefits)**				
	(i)	Current tax		0.51	-
	(ii)	Deferred tax		-	(0.80)
	(iii)	Adjustment of tax relating to earlier periods		-	(0.02)
	Net tax expenses / (benefits)			**0.51**	**(0.82)**
(7)	**(Loss) for the year (5-6)**			(880.46)	(208.60)
(8)	**Other comprehensive income**				
	(a)	(i) Items that will not be reclassified to statement of profit and loss Remeasurements gains /(losses) on defined benefit plans		4.23	(0.50)
		(ii) Income tax on (a)(i) above		-	-
	(b)	(i) Items that will be reclassified to statement of profit and loss		(116.89)	(41.45)
	Total other comprehensive income			**(112.66)**	**(41.95)**
(9)	**Total comprehensive Income for the year net of tax (7+8)**			**(993.12)**	**(250.55)**
(10)	**Earnings per equity share (face value of ₹ 1 each)**				
	(a)	Basic (₹)	44	(1.77)	(0.42)
	(b)	Diluted (₹)	44	(1.77)	(0.42)
Summary of significant accounting policies			1		
The accompanying notes are an integral part of the consolidated financial statements			2 to 53		

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI firm registration number - 324982E/E300003

per Pramod Kumar Bapna
Partner
Membership Number: 105497

Place: Mumbai
Date: 19th April 2023

Sunil Khandelwal
Manager

Bijay Agrawal
Chief Financial Officer

Hitesh Kanani
Company Secretary

Place: Mumbai
Date: 19th April 2023

For and on behalf of the Board of Directors of
Alok Industries Limited

A. Siddharth	(Chairman)	(DIN:00016278)
Mumtaz Bandukwala	(Non-Executive, Independent Director)	(DIN:07129301)
Rahul Dutt	(Non-Executive, Independent Director)	(DIN:08872616)
Hemant Desai	Non-Executive, Non Independent Director	(DIN:00008531)
Anil Kumar Rajbanshi	Non-Executive, Non Independent Director	(DIN:03370674)
V. Ramachandran	Non-Executive, Non Independent Director	(DIN:02032853)
Nirav Parekh	Non-Executive, Non Independent Director	(DIN:09505075)

Corporate Identity Number of Alok Industries Limited - L17110DN1986PLC000334

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Year Ended 31st March, 2023

A) Equity share capital (refer note 14)

(₹ In Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening balance	496.53	496.53
Changes in equity share capital during the year	-	-
Closing balance	**496.53**	**496.53**

B) Other equity (refer note 15)

(₹ In Crore)

Particulars	Equity Component of Compound Financial Instrument	Reserves & Surplus						Other Comprehensive Income		Total Equity attributable to equity holders of the company
		Capital Reserve	Capital Reserve on consolidation	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Others	
Balance as at 1 April 2021	12.40	1,984.89	14.52	9.10	1,160.31	280.90	(21,496.97)	(139.07)	20.63	(18,153.29)
Addition / Reduction during the year										
(Loss) before tax	-	-	-	-	-	-	(208.60)	-	-	(208.60)
Equity Component of Compound Financial Instrument transferred to General reserve	(12.40)					12.40				-
Addition during the year								(41.45)	-	(41.45)
Other Comprehensive Income	-	-	-	-	-	-	-	-	(0.50)	(0.50)
Balance as at 31 March 2022	**-**	**1,984.89**	**14.52**	**9.10**	**1,160.31**	**293.30**	**(21,705.57)**	**(180.52)**	**20.13**	**(18,403.84)**
Addition / Reduction during the year										
(Loss) before tax	-	-	-	-	-	-	(880.46)	-	-	(880.46)
Addition during the year	-	-	-	-	-	-	-	(116.89)	-	(116.89)
Other Comprehensive Income	-	-	-	-	-	-	-	-	4.23	4.23
Balance as at 31 March 2023	**-**	**1,984.89**	**14.52**	**9.10**	**1,160.31**	**293.30**	**(22,586.03)**	**(297.41)**	**24.36**	**(19,396.96)**

Summary of significant accounting policies 1

The accompanying notes are an integral part of the consolidated financial statements 2 - 53

As per our report of even date

For and on behalf of the Board of Directors of
Alok Industries Limited

For S R B C & CO LLP
Chartered Accountants
ICAI firm registration number - 324982E/E300003

per Pramod Kumar Bapna
Partner
Membership Number: 105497

Place: Mumbai
Date: 19th April 2023

Sunil Khandelwal
Manager

Bijay Agrawal
Chief Financial Officer

Hitesh Kanani
Company Secretary

Place: Mumbai
Date: 19th April 2023

A. Siddharth	(Chairman)	(DIN:00016278)
Mumtaz Bandukwala	(Non-Executive, Independent Director)	(DIN:07129301)
Rahul Dutt	(Non-Executive, Independent Director)	(DIN:08872616)
Hemant Desai	Non-Executive, Non Independent Director	(DIN:00008531)
Anil Kumar Rajbanshi	Non-Executive, Non Independent Director	(DIN:03370674)
V. Ramachandran	Non-Executive, Non Independent Director	(DIN:02032853)
Nirav Parekh	Non-Executive, Non Independent Director	(DIN:09505075)

Corporate Identity Number of Alok Industries Limited - L17110DN1986PLC000334

CONSOLIDATED CASH FLOW STATEMENT

For The Year Ended 31st March, 2023

(₹ In Crore)

	Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
A]	**Cash Flow from Operating Activities**		
	Profit / (Loss) before tax as per the statement of profit and loss	(879.95)	(209.42)
	Adjustments for:		
	Depreciation, amortisation and impairment of property, plant and equipment, investment property and intangible assets	364.91	342.16
	Finance cost	501.24	476.20
	Rental income	(2.94)	(1.45)
	Interest income	(2.53)	(3.64)
	Net unrealised exchange (gain) / loss	(0.98)	(3.05)
	(Gain)/Loss on sale of property, plant and equipments (net)	(22.23)	(1.01)
	Impairment allowance on trade and other receivables	21.35	12.02
	Share of profit/(loss) from Joint Ventures	0.97	0.98
	Bad debts written off (net)	3.38	2.20
	Sundry credit balances written back (net)	(4.07)	(7.59)
	Operating Profit/(Loss) before working capital changes	**(20.85)**	**607.40**
	Adjustments for		
	Decrease / (Increase) in inventories	245.39	(320.05)
	Decrease / (Increase) in trade receivables	137.29	(173.25)
	Decrease / (Increase) in other assets	53.63	(147.29)
	(Decrease)/Increase in trade payable	299.07	237.87
	(Decrease)/Increase in provisions	4.45	9.70
	(Decrease)/Increase in other liabilities	100.43	16.35
	Cash (used in) / generated from operating activities	**819.41**	**230.73**
	Income taxes (paid) / refunded	(6.14)	(5.89)
	Net cash (used in) / generated from operating activities	**813.27**	**224.84**
B]	**Cash flow from Investing Activities**		
	Purchase of property plant & equipment, including Capital work in progress & capital advances	(44.22)	(106.99)
	Proceeds from sale of property plant & equipment	28.53	0.16
	Fixed deposit (placed) / matured (net)	(1.94)	36.08
	Rental income	2.94	1.45
	Interest received	2.09	2.39
	Net cash (used in) / generated from Investing Activities	**(12.60)**	**(66.91)**

CONSOLIDATED CASH FLOW STATEMENT
For The Year Ended 31st March, 2023

(₹ In Crore)

	Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
C]	**Cash flow from Financing Activities**		
	Repayment of term borrowings	(339.76)	(1.82)
	Proceeds from short term borrowings (Net)	113.12	155.90
	Payment of lease liabilities	(2.53)	-
	Interest paid	(457.70)	(447.26)
	Net cash (used in) / generated from financing activities	**(686.87)**	**(293.18)**
D]	Exchange difference arising on conversion debited to foreign currency translation reserve	(116.89)	(41.45)
	Net (decrease)/Increase in Cash and Cash equivalents (A+B+C+D)	(3.09)	(176.70)
	Add : Cash and Cash equivalents at the beginning of the year	16.95	193.65
	Cash and Cash equivalents at the end of the year (refer note 11)	**13.86**	**16.95**

Non-cash investing and financing activities (refer note 11)

Summary of significant accounting policies (refer note 1)

The accompanying notes are an integral part of the financial statements (refer note 2 to 53)

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI firm registration number - 324982E/E300003

per Pramod Kumar Bapna
Partner
Membership Number: 105497

Place: Mumbai
Date: 19th April 2023

For and on behalf of the Board of Directors of
Alok Industries Limited

Sunil Khandelwal
Manager

Bijay Agrawal
Chief Financial Officer

Hitesh Kanani
Company Secretary

Place: Mumbai
Date: 19th April 2023

A. Siddharth	(Chairman)	(DIN:00016278)
Mumtaz Bandukwala	(Non-Executive, Independent Director)	(DIN:07129301)
Rahul Dutt	(Non-Executive, Independent Director)	(DIN:08872616)
Hemant Desai	Non-Executive, Non Independent Director	(DIN:00008531)
Anil Kumar Rajbanshi	Non-Executive, Non Independent Director	(DIN:03370674)
V. Ramachandran	Non-Executive, Non Independent Director	(DIN:02032853)
Nirav Parekh	Non-Executive, Non Independent Director	(DIN:09505075)

Corporate Identity Number of Alok Industries Limited - L17110DN1986PLC000334

CORPORATE INFORMATION

Alok Industries Limited ("The Parent Company") is a Public Limited Company, domiciled in India and incorporated under the provisions of the Companies Act, 1956. The equity shares of the Parent Company are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). It is primarily engaged in the business of textile manufacturing including mending and packing activities. The registered office of the Parent Company is located at 17/5/1, 521/1, Village Rakholi/ Saily, Silvassa, The Union Territory of Dadra and Nagar Haveli-396230.

Pursuant to an application made by the 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 Parent 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 Parent 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 Parent Company, its employees, members, creditors, guarantors and other stakeholders involved in the Resolution Plan.

The consolidated financial statements were approved for issue in accordance with a resolution of the board of directors on 19th April 2023.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

This Note provides a list of the significant Accounting Policies adopted by Alok Industries Limited (the Parent Company), it's Subsidiaries (collectively referred as the Group) and Joint Ventures; in the preparation of these Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation:

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified pursuant to section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016(as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Financial statements ('Consolidated Ind AS Financial Statements').

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below:

a. Derivative financial instruments,

b. Certain financial assets and liabilities measured at fair value, and

c. Defined benefit plans - plan assets measured at fair value;

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116 'Leases' ("Ind AS 116"), and that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 'Inventories' ("Ind AS 2") or value in use in Ind AS 36 'Impairment of Assets' ("Ind AS 36").

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

The financial statements are presented in ₹ which is the functional currency and all values are rounded to the nearest crore (₹ 00,00,000), except when otherwise indicated.

b) Principles of consolidation and equity accounting:

i) Subsidiary companies

Subsidiary companies are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary companies are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the Financial Statements of the parent and its subsidiary companies line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting Policies of subsidiary companies have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interest in the results and equity of subsidiary companies are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of changes in equity and Balance Sheet respectively.

ii) Associate companies

Associate companies are all entities over which the Group has significant influence, but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associate companies are accounted for using the equity method of accounting.

iii) Joint arrangements

Under Ind AS 111 Joint arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Interest in Joint Venture Company is accounted for using the equity method.

iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise share of the Group in post-acquisition profit and loss of the investee in profit and loss, and share of the Group in Other Comprehensive Income of the investee in Other Comprehensive Income. Dividends received or receivable from associate company and Joint Venture Company are recognised as a reduction in the carrying amount of the investment.

When the Group share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associate company and joint venture company are eliminated to the extent of the Group interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting Policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in (l) below.

v) Changes in ownership interest

The Group treats transactions with non-controlling interest that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interest to reflect their relative interest in the subsidiary companies.

Any difference between the amount of the adjustment to non-controlling interest and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate company, joint venture company or financial asset. In addition, any amounts previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in Other Comprehensive Income are reclassified to the Statement of Profit and Loss.

If the ownership interest in a joint venture company or an associate company is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in Other Comprehensive Income are reclassified to the Statement of Profit and Loss where appropriate.

c) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of services and the normal time between the acquisition of assets and their realisation into cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

d) Foreign Currency Transactions and Translation

The management of the Group has determined Indian rupee ("₹") as the functional currency of the Group. In preparing the financial statements of the Group, transactions in currencies other than the Group's functional currency ("foreign currencies") are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences on monetary items are recognised in statement of profit and loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

e) Revenue from contract with customers:

The Group recognises revenue from the following major sources, acting in the capacity of principal:

- Sale of consumer product
- Other operating revenue

Sale of consumer product

The Group sells textile Products. The Group recognizes revenue on the sale of goods, net of discounts, sales incentives, estimated customer returns and rebates granted, commission, if any, when control of the goods is transferred to the customer.

Discounts given include rebates, price reductions and other incentives given to customers. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Export Incentives

Export benefits arising from Duty Drawback scheme, Merchandise Export Incentive Scheme and other eligible export incentives are recognised on post export basis at the rate at which the entitlements accrue and is included in the 'Other Operating Income' (Revenue from operation).

Nature, timing of satisfaction of performance obligation and transaction price (Fixed and variable)

The Group recognises revenue when it transfers control of a product or service to a customer.

The control of goods is transferred to the customer depending upon the terms or as agreed with customer or delivery basis (i.e. at the point in time when goods are delivered to the customer or when the customer purchases the goods from the Group warehouse). Control is considered to be transferred to customer when customer has ability to direct the use of such goods and obtain substantially all the benefits from it such as following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods.

Based on the terms of the contract and as per business practice, the Group determines the transaction price considering the amount it expects to be entitled in exchange of transferring promised goods or services to the customer. It excludes amount collected on behalf of third parties such as taxes.

The Group provides volume discount and rebate schemes, to its customers on certain goods purchased by the customer once the quantity of goods purchased during the period exceeds a threshold specified in the contract. Volume discount and rebate schemes give rise to variable consideration. To estimate the variable consideration to which it will be entitled, the Group considers that either the expected value method or the most likely amount method, depending on which of them better predicts the amount of variable consideration for the particular type of contract.

Rendering of services

Revenue from rendering of services is recognised over time considering the time elapsed. The transaction price of these services is recognised as a contract liability upon receipt of advance from the customer, if any, and is released on a straight line basis over the period of service.

Contract assets, contract liabilities and trade receivables

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues (which we refer to as unearned revenues) and advance from customers are classified as contract liabilities. A receivable is recognised by the Group when the control over the goods is transferred to the customer such as when goods are delivered as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. The average credit period on sale of goods is 7 to 90 days.

Dividend and Interest income

Dividend income from investments is recognised when the Group's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

f) Income taxes:

Current tax

Current tax payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Ind AS financial statements and the corresponding tax bases used in the computation of taxable profit. While preparing standalone Ind AS financial statements, temporary differences are calculated using the carrying amount as per standalone Ind AS financial statements and tax bases as determined by reference to the method of tax computation.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

g) Leases:

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows

- Building 2 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

h) Property, Plant and Equipment

Assets held for use in the production or supply of goods or services, for rental to others or for administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated, however, it is subject to impairment.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Likewise, subsequent cost incurred to overhaul the plant and machineries and major inspection costs are recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period. Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

Depreciation methods, estimated useful lives and residual value:

Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation on property, plant and equipment has been provided on straight line method as per the useful life prescribed in Schedule II of the Company's Act, 2013, except in case of following assets, where useful life used is different than those prescribed in part C of Schedule II:

Asset category	Estimated useful life
Buildings	50 to 60 years
Plant and Machinery	15 to 40 years

Based on technical evaluation done by the Chartered Engineer, the management believes that the useful lives as given above, best represent, the period over which management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset.

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and any changes there in are considered as change in estimate and accounted prospectively.

i) Intangible assets:

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses, if any. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in statement of profit and loss when the asset is derecognised.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows

Asset category	Estimated useful life
Computer software	6 years
Trademarks / Brands	10 years

j) Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

The Group may incur borrowing costs during an extended period in which it suspends the activities necessary to prepare an asset for its intended use or sale. Such costs are costs of holding partially completed assets and do not qualify for capitalisation. However, an entity does not normally suspend capitalising borrowing costs during a period when it carries out substantial technical and administrative work. The Group also does not suspend capitalising borrowing costs when a temporary delay is a necessary part of the process of getting an asset ready for its intended use or sale.

The Group shall cease capitalising borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

k) Investment Property:

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Group depreciates building component of investment property over 30 years from the date of original purchase.

The Group, based on technical assessment made by technical expert and management estimate, depreciates the building over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the Group measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying model issued by the Indian Valuation Standards Board.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration from the derecognition of investment property the Group considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Transfers are made to (or from) investment property only when there is a change in use.

l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

I. Financial Assets

A) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

B) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost

  A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

- <u>Debt instruments at fair value through other comprehensive income (FVTOCI)</u>

  A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

- <u>Debt instruments at fair value through profit or loss (FVTPL)</u>

  FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

  All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

C) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

D) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

E) Investments in joint ventures

The Group has elected to account for its equity investments in joint ventures under IND AS 27 on Separate Financials Statements, as per the equity method. At the end of each reporting period the Group assesses whether there are indicators of diminution in the value of its investments and provides for impairment loss, where necessary.

II. Financial Liabilities

A) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

B) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at fair value through profit or loss**

  Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains / loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

- **Loans and Borrowings**

  This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

  Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

- **Financial guarantee contracts**

  Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

  The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the contractual payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

C) De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

D) Compound instruments

The component parts of compound instruments (optionally convertible preference share) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible instrument, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in statement of profit and loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible instruments are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible instrument using the effective interest method.

III. Reclassification of financial assets / liabilities

After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations.

IV. Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of Group or the counterparty.

V. Derivatives and hedging activities

The Group enters derivatives like forwards contracts to hedge its foreign currency risks. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently marked to market at the end of each reporting period with profit/loss being recognised in statement of profit and loss. Derivative assets/ liabilities are classified under "other financial assets/ other financial liabilities". Profits and losses arising from cancellation of contracts are recognised in the statement of profit and loss.

m) Inventories:

Finished goods are stated at the lower of cost and net realisable value. Raw material, packing materials and stores & spares are stated at costs unless the finished goods in which they will be incorporated are expected to be sold below cost. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials, Packing Materials and stores & spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

Due allowances are made for slow moving and obsolete inventories based on estimates made by the Group.

n) Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

o) Provisions and contingent liabilities:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A contingent liability is:-

a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

b) a present obligation that arises from past events but is not recognised because:-

   i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

   ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

A contingent asset is disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date

p) Retirement and other employee benefits:

Post-employment benefits

- Payments to defined contribution benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is not reclassified to statement of profit and loss. Past service cost is recognised in statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:
- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement.

The Group presents the first two components of defined benefit costs in statement of profit and loss in the line item “Employee benefits expense”, and the last component in Other Comprehensive Income. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group’s defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Terminal benefits

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, performance incentives and similar benefits other than compensated absences in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of compensated absences are measured on the basis of actuarial valuation as on the balance sheet date.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

q) Earnings per share:

Basic earnings per share is calculated by dividing the profit/loss attributable to the owners of the Group by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share adjusts the figure used in determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

r) Operating segment

Identification of segment - Operating segments are reported in the manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group.

Segment accounting policies - The Board of Directors of the Parent Company have been identified as the Chief Operating Decision Maker (CODM) as defined under Ind AS 108. CODM reviews overall financial information of the Group together for performance evaluation and allocation of resources and does not review any discrete information to evaluate performance of any individual product or geography.

The Group prepares its segment information in conformity with accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

s) Onerous contracts

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

t) Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

u) Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the accounting policies, the Group is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

Key sources of estimation uncertainty

a) Useful lives of property, plant and equipment, investment property, intangible asset and right-of-use assets

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Refer Note 2 and 29 for further disclosure.

b) Impairment of property plant and equipment, investment property, intangible asset and right-of-use assets

Determining whether the property, plant and equipment, investment property and Right-of-use assets are impaired requires an estimate in the value in use of cash generating units. It requires to estimate the future cash flows expected to arise from the cash generating units and a suitable discount rate in order to calculate present value. When the present value of the cash flows are less than carrying value of property, plant and equipment a material impairment loss may arise. Refer Note 2 and 3 for further disclosure.

c) Impairment of investments in joint ventures

Determining whether the investments in joint ventures are impaired requires an estimate in the value in use. In considering the value in use, the Management have anticipated the future cash flows, discount rates and other factors of the underlying businesses/companies. In certain cases, the Group engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. Refer Note 5 and 42 for further disclosure.

d) Provisions, liabilities and contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of an outflow of resources embodying economic benefits are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized. Refer Note 38 for further disclosure.

e) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer Note 7 and 40 for further disclosure.

f) Employee benefit plans

The cost of defined benefit gratuity plan and other post-employment benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Refer Note 27 and 45 for further disclosure.

g) Lease

The application of Ind AS 116 requires Group to make judgements and estimates that affect the measurement of right-of-use assets and liabilities. In determining the lease term, the Group consider all facts and circumstances that create an economic incentive to exercise renewal options (or not exercise termination options). Assessing whether a contract includes a lease also requires judgement. Estimates are required to determine the appropriate discount rate used to measure lease liabilities.

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Refer note 49 for further disclosure.

h) Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment. Refer note 10 for further disclosure.

i) Inventories

Inventories are reviewed on a regular basis and the Group make allowance for excess or obsolete inventories and write down to net realizable value primarily based on historical trends and management estimates of expected and future product demand and related pricing.

Inventories are stated at the lower of cost and net realisable value. Judgements are required in assessing the expected realisable values of Inventories. Factors considered includes demand levels and pricing competition in the industry. Refer note 9 for further disclosure.

j) Changes in accounting policies and disclosures

New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated 23 March 2022, to amend the following Ind AS which are effective from 1 April 2022.

(i) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

(ii) Reference to the Conceptual Framework – Amendments to Ind AS 103

(iii) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

(iv) Ind AS 101 First-time Adoption of Indian Accounting Standards – Subsidiary as a first-time adopter

(v) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

(vi) Ind AS 41 Agriculture – Taxation in fair value measurements

These amendments had no impact on the accounting policies and disclosures made in the consolidated financial statements of the Group.

Note ‘2’. Property, Plant and Equipment, Intangible Assets and Right-of-Use Assets

(₹ in Crore)

Description of Assets	Gross Block				Depreciation				Impairment			Net book value	
	As at 1st April, 2022	Additions	Deductions / Adjustments	As at 31st March, 2023	As at 1st April, 2022	For the year	Deductions / Adjustments	As at 31st March, 2023	As at 1st April, 2022	Deductions / Adjustments	As at 31st March, 2023	As at 31st March, 2023	As at 31st March, 2022
A) Property, Plant and Equipment (refer note 1 below)													
Freehold Land (refer note 2 below)	4,628.76	24.89	0.23	4,653.42	-	-	-	-	2,737.02	-	2,737.02	1,916.40	1,891.74
Building	3,174.75	1.72	8.20	3,168.27	477.57	33.77	8.17	503.17	1,640.52	-	1,640.52	1,024.58	1,056.66
Plant and Equipment	9,557.24	27.82	35.71	9,549.35	3,175.55	320.43	16.27	3,479.71	3,837.08	(14.05)	3,823.03	2,246.61	2,544.61
Furniture and Fixtures	51.11	0.80	6.29	45.63	46.88	0.29	5.78	41.39	4.20	(0.32)	3.88	0.36	0.03
Vehicles	11.14	-	0.30	10.84	8.86	0.18	0.29	8.75	0.42	-	0.42	1.66	1.86
Office Equipment	7.44	0.14	0.91	6.67	6.91	0.09	0.86	6.14	0.15	(0.03)	0.12	0.41	0.38
Office Premises	105.27	-	-	105.27	12.93	1.95	-	14.88	1.54	-	1.54	88.85	90.80
Computer and Peripherals	12.19	1.59	2.33	11.45	5.80	2.81	2.09	6.52	0.84	(0.10)	0.74	4.19	5.55
Tools and Equipment	57.95	0.37	1.85	56.47	22.81	2.22	0.89	24.14	21.21	(0.67)	20.54	11.79	13.93
Sub Total (A)	**17,605.85**	**57.33**	**55.82**	**17,607.36**	**3,757.31**	**361.74**	**34.35**	**4,084.70**	**8,242.98**	**(15.17)**	**8,227.81**	**5,294.85**	**5,605.56**
B) Intangible assets													
Trademarks / Brands	12.45	-	-	12.45	12.45	-	-	12.45	-	-	-	-	-
Computer Software	2.18	0.54	0.60	2.12	2.04	0.08	0.60	1.52	-	-	-	0.60	0.14
Sub Total (B)	**14.63**	**0.54**	**0.60**	**14.57**	**14.49**	**0.08**	**0.60**	**13.97**	**-**	**-**	**-**	**0.60**	**0.14**
C) Right-of-use assets													
Leasehold Land	35.94	-	-	35.94	2.65	0.14	-	2.79	19.90	-	19.90	13.25	13.39
Building	-	13.37	-	13.37	-	2.23	-	2.23	-	-	-	11.14	-
Sub Total (C)	35.94	13.37	-	49.31	2.65	2.37	-	5.02	19.90	-	19.90	24.39	13.39
Total (A+B+C)	**17,656.42**	**71.24**	**56.42**	**17,671.24**	**3,774.45**	**364.19**	**34.95**	**4,103.69**	**8,262.88**	**(15.17)**	**8,247.71**	**5,319.84**	**5,619.09**

(₹ in Crore)

Description of Assets	Gross Block				Depreciation				Impairment			Net book value	
	As at 1st April, 2021	Additions	Deductions / Adjustments	As at 31st March, 2022	As at 1st April, 2021	For the year	Deductions / Adjustments	As at 31st March, 2022	As at 1st April, 2021	Deductions / Adjustments	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2021
A) Property, Plant and Equipment (refer note 1 below)													
Freehold Land (refer note 2 below)	4,628.22	0.54	-	4,628.76	-	-	-	-	2,737.02	-	2,737.02	1,891.74	1,891.20
Building	3,174.64	0.11	-	3,174.75	448.27	29.30	-	477.57	1,640.52	-	1,640.52	1,056.66	1,085.85
Plant and Equipment	9,444.99	112.34	0.09	9,557.24	2,870.94	304.67	0.06	3,175.55	3,837.08	-	3,837.08	2,544.61	2,736.97
Furniture and Fixtures	50.84	0.27	0.00	51.11	46.64	0.24	0.00	46.88	4.20	-	4.20	0.03	(0.00)
Vehicles	10.94	0.71	0.51	11.14	9.21	0.14	0.49	8.86	0.42	-	0.42	1.86	1.31
Office Equipment	7.48	0.14	0.18	7.44	7.04	0.05	0.18	6.91	0.15	-	0.15	0.38	0.29
Office Premises	105.27	-	-	105.27	10.98	1.95	-	12.93	1.54	-	1.54	90.80	92.75
Computer and Peripherals	9.06	3.13	-	12.19	3.28	2.52	-	5.80	0.84	-	0.84	5.55	4.94
Tools and Equipment	56.59	1.36	-	57.95	20.42	2.39	-	22.81	21.21	-	21.21	13.93	14.96
Sub Total (A)	**17,488.03**	**118.60**	**0.78**	**17,605.85**	**3,416.78**	**341.26**	**0.73**	**3,757.31**	**8,242.98**	**-**	**8,242.98**	**5,605.56**	**5,828.27**
B) Intangible assets													
Trademarks / Brands	12.45	-	-	12.45	12.45	-	-	12.45	-	-	-	-	-
Computer Software	2.17	0.01	-	2.18	2.01	0.03	-	2.04	-	-	-	0.14	0.16
Sub Total (B)	**14.62**	**0.01**	**-**	**14.63**	**14.46**	**0.03**	**-**	**14.49**	**-**	**-**	**-**	**0.14**	**0.16**
C) Right-of-use assets													
Leasehold Land	35.94	-	-	35.94	2.47	0.18	-	2.65	19.90	-	19.90	13.39	13.57
Sub Total (C)	**35.94**	**-**	**-**	**35.94**	**2.47**	**0.18**	**-**	**2.65**	**19.90**	**-**	**19.90**	**13.39**	**13.57**
Total (A+B+C)	17,538.59	118.61	0.78	17,656.42	3,433.71	341.47	0.73	3,774.45	8,262.88	-	8,262.88	5,619.09	5,842.00

NOTE :

1. Certain property plant and equipment are pledge against borrowings the details relating to which have been described in note 16 pertaining to borrowings.
2. The title deeds of immovable properties included in property, plant and equipment and investment properties are held in the name of the Parent Company, except in the case of certain immovable properties (gross block of ₹ 44.42 crores as detailed in the table below) where the Parent Company is in the process of converting the same to 'non-agricultural' land, post which the transfer of title will happen in the name of the Parent Company. Further, in the current year, title deeds of property, plant and equipment and investment properties which were pledged with the erstwhile lenders have been obtained and an equitable mortgage has been created by the Parent Company in the name of the existing lenders.

Particulars	Description of Property	Gross carrying value (₹ in Crore)	Held in name of	Whether promoter, director or their relative or employee	Held since
Freehold land	2 Land Parcels at Vapi	22.27	Various Individuals	No Relation	2005
Freehold land	22 Land Parcels at Silvassa	22.15	Various Individuals	No Relation	2008-2013
		44.42			

Note ‘3’ Investment Property

(₹ in Crore)

Description of Assets	Cost / Deemed Cost				Depreciation				Impairment			Net book value	
	As at 1st April, 2022	Additions	Deductions Adjustments	As at 31st March, 2023	As at 1st April, 2022	For the year	Deductions Adjustments	As at 31st March, 2023	As at 1st April, 2022	Deductions Adjustments	As at 31st March, 2023	As at 31st March, 2023	As at 31st March, 2022
Land	829.85	-	-	829.85	-	-	-	-	642.95	-	642.95	186.90	186.90
Building	28.31	-	-	28.31	5.46	0.72	-	6.18	9.34	-	9.34	12.79	13.51
Total	**858.16**	**-**	**-**	**858.16**	**5.46**	**0.72**	**-**	**6.18**	**652.29**	**-**	**652.29**	**199.69**	**200.41**

Description of Assets	Cost / Deemed Cost				Depreciation				Impairment			Net book value	
	As at 1st April, 2021	Additions	Deductions Adjustments	As at 31st March, 2022	As at 1st April, 2021	For the year	Deductions Adjustments	As at 31st March, 2022	As at 1st April, 2021	Deductions Adjustments	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2021
Land	829.85	-	-	829.85	-	-	-	-	642.95	-	642.95	186.90	186.90
Building	28.31	-	-	28.31	4.77	0.69	-	5.46	9.34	-	9.34	13.51	14.20
Total	**858.16**	**-**	**-**	**858.16**	**4.77**	**0.69**	**-**	**5.46**	**652.29**	**-**	**652.29**	**200.41**	**201.10**

Note : Information regarding Income and expenditure of Investment property

(₹ In Crore)

Particulars	31 March 2023	31 March 2022
Rental income derived from Investment properties (Refer Note 24)	2.94	1.45
Less: Direct operating expenses (including repairs and maintenance) arising from investment property that generates rental income	0.03	0.04
Profit arising from investment properties before depreciation	**2.91**	**1.41**
Less: Depreciation	0.72	0.69
Profit arising from investment properties before indirect expenses	**2.19**	**0.72**

Note:

(a) The Group’s investment property consists of Land, residential flats and commercial buildings in India.

(b) Investment property are pledge against borrowings the details relating to which have been described in note 16 pertaining to borrowings.

(c) As at 31 March 2023 and 31 March 2022, the fair values of the investment properties are ₹ 215.08 crore and ₹ 215.03 crore respectively, based on the valuation performed by an accredited independent valuer and a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. A valuation model in accordance with that issued by the Indian Valuation Standards Board has been applied.

Note 4. Capital work-in-progress

Capital work-in-progress is as given below:

(a) Ageing of Capital work in progress is as given below:

(₹ in Crore)

Particulars	Amount in CWIP for a period of				Total as at
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	31st March, 2023
Various Projects (mainly pertains to upgrading of plant and machinery)	14.66	0.35	-	-	15.01
Total	**14.66**	**0.35**	**-**	**-**	**15.01**

Particulars	Amount in CWIP for a period of				Total as at
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	31st March, 2022
Various Projects (mainly pertains to upgrading of plant and machinery)	5.88	1.69	-	-	7.57
Total	**5.88**	**1.69**	**-**	**-**	**7.57**

There are no projects which are temporarily suspended.

(b) Overdue Capital work-in-progress as compared to Original Plans as at 31st March, 2023

(₹ in Crore)

Capital work-in-progress	To be completed in			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Garments - Sprinkler system	0.15	-	-	-
Madeups - Sprinkler system	0.16	-	-	-
POY - Cooling Tower	3.26	-	-	-

Target Date of Completion as per Original Plan was 30th September 2022 for Garment and Madeups and 31st July, 2022 for POY.

Overdue Capital work-in-progress as compared to Original Plans as at 31st March, 2022

(₹ in Crore)

Capital work-in-progress	To be completed in			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Revamping of Garments Division	1.96	-	-	-

Target Date of Completion as per Original Plan was 31st December 2021

(c) Cost is exceeded as compared to Original Plans - There are no projects which have exceeded their cost as compared to the original plan.

(d) Movement of CWIP

(₹ in Crore)

Year	Balance as at 1 April	Additions	Deduction	Balance as at 31 March
Financial Year - 2022-23	7.57	27.32	19.88	15.01
Financial Year - 2021-22	10.75	102.02	105.21	7.57

5 Investments

Non-current, unquoted

(₹ in Crore)

	Particulars	Number of units		As at	
		31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
a)	**Investment in equity shares**				
	In Joint Venture (fully paid up at cost) (refer note 43)				
(i)	Aurangabad Textiles & Apparel Parks Limited (face value of ₹ 10 each)	1,019,200	1,019,200	17.25	17.25
	Less: Dividend received			(0.33)	(0.33)
	Add : Share of profit			(1.30)	(0.94)
	Less : Impairment in value of investment			(15.62)	(15.98)
				-	-
(ii)	New City Of Bombay Mfg. Mills Limited (face value of ₹ 10 each)	4,493,300	4,493,300	75.13	75.13
	Less: Dividend received			(2.92)	(2.92)
	Add : Share of profit			3.70	4.31
	Less : Impairment in value of investment			(75.91)	(76.52)
				-	-
	Others (fully paid up at cost)				
(i)	Trimphant Victory Holdings Limited (investment value ₹ 90.14/-) (Face value of USD 1 each)	2	2	-	0.00
	Less : Impairment in value of investment			-	(0.00)
				-	-
(ii)	Dombivli Nagari Sahakari Bank Limited (Face value of ₹ 50 each)	10,000	10,000	0.05	0.05
(iii)	New India Co-op Bank Ltd.(investment value ₹ 3,000/-) (Face value of ₹ 10 each)	300	300	-	0.00
(iv)	Saraswat Bank Limited (investment value ₹ 25,000/-) (Face value of ₹ 10 each)	2,500	2,500	-	0.00
	(Pledged against finance availed by Parent Company)				
(v)	Wel-Treat Environ Management Organisation (investment value ₹ 36,500/-) (Face value of ₹ 10 each)	3,650	3,650	-	0.00
(vi)	PowerCor LLC (Face value of USD 1 each)				
	Subscription towards 5% Group B Membership interest			60.88	55.97
	Less : Impairment in value of investment			(60.88)	(55.97)
				-	-
(vii)	Aisle 5 LLC (Face value of USD 1 each)				
	22 senior units of the equity capital			10.77	9.90
	Less : Impairment in value of investment			(10.77)	(9.90)
				-	-
b)	**Investment in Preference shares - others (fully paid up at amortised cost)**				
	Triumphant Victory Holdings Limited	35,466,960	35,466,960	226.00	212.06
	(0% Redeemable cumulative Preference shares) (Face value of USD 1 each)				
	Less : Impairment in value of investment			(226.00)	(212.06)
				-	-
	Total			**0.05**	**0.05**
	Aggregate amount of unquoted investments			389.23	370.49
	Aggregate amount of impairment in value of investments			(389.18)	(370.44)

6 Loans

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non-Current		
Unsecured		
Loan which have significant increase in credit risk	332.61	330.76
	332.61	330.76
Less : Impairment allowance		
Loan which have significant increase in credit risk	(332.61)	(330.76)
	(332.61)	(330.76)
Total	-	-

7 Taxation

(a) Deferred tax asset (net) comprises of timing difference on account of

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deferred Tax Asset		
Provision for employee benefits	12.02	11.97
Provision for doubtful debts, advances and investments	963.36	958.28
Unabsorbed Depreciation carried forward	749.78	675.79
Business Loss carried forward	912.62	812.05
Long Term / Short Term Capital Loss	9.66	21.46
Less : Deferred Tax Liability		
Difference between tax and book base of fixed assets	(558.17)	(570.58)
Deferred Tax Asset	**2,089.27**	**1,908.97**
Deferred tax assets not recognised (refer note 40)	(2,082.52)	(1,902.85)
Net Deferred tax asset	**6.75**	**6.12**

Deferred tax related to items recognised in OCI during in the year:

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Net loss/(gain) on remeasurements of defined benefit plans	-	-
Deferred tax charged to OCI	-	-

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Tax losses (revenue in nature) (Refer note a below)	6,605.18	5,840.17
Tax losses (capital in nature) (Refer note b below)	34.70	38.38
	6,639.88	**5,878.55**

a) Unused tax losses of revenue nature include losses of ₹ 3,626.10 crore (Previous year ₹ 3,167.54 crore) that are available for offsetting for eight years against future taxable profits of the Group in which the losses arose as detailed below.

(₹ in Crore)

Financial year	31st March, 2023	31st March, 2022
2015-16	520.89	520.89
2016-17	1,012.23	1,032.21
2017-18	1,600.59	1,605.63
2018-19	8.81	8.81
2022-23	483.58	-
	3,626.10	**3,167.54**

Further, unutilised tax losses of revenue nature include unabsorbed depreciation of ₹ 2,979.08 crore (Previous Year ₹ 2,672.63 crore) which are available for offsetting against future taxable profits indefinitely.

b) Unused tax losses of capital nature include losses of ₹ 34.70 crore (Previous year ₹ 38.38 crore) that are available for offsetting for eight years against future taxable profits of the Group in which the losses arose.

(₹ in Crore)

Financial year	31st March, 2023	31st March, 2022
2014-15	-	3.68
2017-18	34.70	34.70
	34.70	**38.38**

Reconciliation of deferred tax asset (net):

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening balance as of 1 April	6.12	5.07
Tax income/(expense) during the period recognised in profit or loss	0.65	1.05
Closing balance as at 31 March	**6.77**	**6.12**

(b) Current Tax comprise of

Particulars	As at 31st March, 2023	As at 31st March, 2022
Profit/(loss) before tax	(879.95)	(209.42)
Enacted tax rate in India	25.168%	25.168%
Expected income tax expense / (benefit) at statutory tax rate	**(221.47)**	**(52.71)**
Tax Effect of		
Non-Taxable Subsidiaries and effect of Differential Tax Rate under various jurisdiction	-	(0.67)
Expenses allowed	(76.38)	(86.27)
Expenses disallowed	101.81	95.32
Effect of recognition of tax loss, limited to net taxable income for the year	196.04	44.33
Net Income tax expense / (benefit) *	**-**	**-**
Effect of different tax rates of Subsidiaries	-	-
Current Tax expense	0.51	-
Deferred Tax expense	-	(0.80)
Effect of tax pertaining to prior years	-	(0.02)
Current Tax Provision	**0.51**	**(0.82)**

* Being a tax loss, the current tax expense for the year is nil.

8 Other assets

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non current		
Unsecured considered good		
Capital advances (refer note below)	32.02	52.96
Advance tax (net of provision for tax)	58.62	52.99
Total	**90.64**	**105.95**
Current		
Unsecured, considered good		
Balances with Statutory Authorities	318.64	304.74
Advance to vendors	15.26	20.67
Prepaid expenses	18.33	19.43
Deposits others	0.07	0.06
	352.30	**344.90**
Unsecured, considered doubtful		
Balance with Statutory Authorities	54.60	54.60
Advance to vendors	154.51	154.75
Less : Impairment allowance	(209.11)	(209.35)
	-	-
Total	**352.30**	**344.90**

Note

In earlier years, the Parent Company had entered into an agreement with the erstwhile promotors to buy land and hold it in trust on behalf of the Parent Company. Post execution of the sale agreement and conversion of land to 'Non-Agricultural' purpose, the land will be transferred in the name of the Parent Company. As of 31st March, 2023, the advances paid of ₹ 18.04 crore (Previous year ₹ 39.39 crore) are disclosed as part of capital advances. On completion of the process, the land will be capitalised in the books. Further, also refer Note 39 for contractual capital commitments.

9 Inventories

(At lower of cost and net realisable value)

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Raw materials (includes material in transit ₹ 23.49 Crore (Previous year ₹ 12.46 Crore)	248.83	257.21
Work-in-progress	385.98	519.24
Finished goods (includes material in transit ₹ 18.56 crore (Previous year ₹ 24.24 crore)	323.86	413.13
Stock in trade	4.77	5.65
Stores and Spares	68.34	77.18
Packing Material	7.25	12.01
Total	**1,039.03**	**1,284.42**

NOTE:

i) Value of inventories above is stated after provision of ₹ 120.27 crore (previous year ₹ 28.96 crore) for write down to net realisable value and provision for slow moving and obsolete items

ii) For inventory hypothecated as security (refer note 16 & 18).

10 Trade receivables (unsecured)

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Receivables from related parties (refer note 43)	59.65	80.82
Others	285.09	422.97
	344.74	**503.79**
Trade receivables		
Gross Trade receivable, considered good	270.80	471.18
Gross Trade receivable, which has significant increase in credit risk	89.88	51.52
Gross Trade receivable, credit impaired	223.76	204.53
	584.44	**727.23**
Impairment allowance		
Trade receivable, considered good	(5.33)	(5.99)
Trade receivable, which has significant increase in credit risk	(10.61)	(12.99)
Trade receivable, credit impaired	(223.76)	(204.46)
Net trade receivables	**344.74**	**503.79**

Ageing of Trade Receivables

As at 31st March, 2023

(₹ in Crore)

Particulars	Outstanding for following periods from date of invoice					
	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed Trade Receivables considered good	270.80		-	-	-	270.80
Undisputed Trade Receivables - which have significant increase in credit risk	-	73.48	16.35	0.05	-	89.88
Undisputed Trade Receivables - credit risk impaired	-	-	0.89	6.70	216.17	223.76
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - credit risk impaired	-	-	-	-	-	-
Total	**270.80**	**73.48**	**17.24**	**6.75**	**216.17**	**584.44**

As at 31st March, 2022

(₹ in Crore)

Particulars	Outstanding for following periods from date of invoice					
	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed Trade Receivables considered good	471.18	-	-	-	-	471.18
Undisputed Trade Receivables - which have significant increase in credit risk	10.34	9.98	10.32	7.00	13.88	51.52
Undisputed Trade Receivables - credit risk impaired	-	-	0.32	54.61	149.60	204.53
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - credit risk impaired	-	-	-	-	-	-
Total	**481.52**	**9.98**	**10.64**	**61.61**	**163.48**	**727.23**

NOTE :

For trade receivable hypothecated as security (refer note 18)

11 Cash and cash equivalents

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
On current accounts	13.25	12.38
In fixed deposit accounts	-	4.17
Cheques, Drafts on hand	0.33	0.25
Cash on hand	0.28	0.15
Total	**13.86**	**16.95**

Notes:

1) During the current year, the Parent Company entered into non cash investment activity of acquisition of ROU asset of ₹ 13.37 crore (Previous year ₹ Nil) (refer note 2). This is not reflected in the statement of cash flow.

2) Change in liabilities due to financial activities

Particulars	As at 31st March, 2022	Cash Flows	Others#	As at 31st March, 2023
Borrowings - non current	22,434.98	(339.76)	(264.48)	21,830.74
Borrowings - current	1,906.50	113.12	300.98	2,320.60
Lease liabilities	-	(2.53)	13.91	11.38
Other financial liabilities	97.91	16.41	34.27	148.59

Particulars	As at 31st March, 2021	Cash Flows	Others#	As at 31st March, 2022
Borrowings - non current	22,765.05	(1.82)	(328.25)	22,434.98
Borrowings - current	1,408.49	155.90	342.11	1,906.50
Other financial liabilities	75.43	(75.43)	97.91	97.91

The 'Others' column includes the effect of reclassification of non-current portion of borrowings, including lease liabilities to current due to the passage of time, exchange differences on translation and the effect of accrued but not yet paid interest on borrowings, including lease liabilities.

12 Other bank balances

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Other non current financial assets		
Balance with banks		
Balances / Deposits held as margin money or security against borrowings, guarantee and other commitments	1.04	2.08
Security deposits	20.45	20.33
Total	**21.49**	**22.41**
(b) Other bank balances (current)		
Balance with Bank		
In earmarked accounts		
Balances / Deposits held as margin money or security against borrowings, guarantee and other commitments	45.79	42.37
Total	**45.79**	**42.37**

13 Other current financial assets

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good		
Advance to Staff	0.23	0.27
Export incentive receivable	10.33	56.88
Contract assets	1.21	1.53
Derivative instrument	0.15	2.00
Other Receivables	-	12.86
	11.92	**73.54**
Unsecured, considered doubtful		
Export incentive receivable	3.61	5.41
Inter Corporate Deposits	0.66	0.66
	4.27	6.07
Less : Impairment allowance	(4.27)	(6.07)
	-	-
Total	**11.92**	**73.54**

Other current financial assets are hypothecated as security (refer note 16 & 18)

14 Equity share capital

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Authorised		
35,00,00,00,000 Equity shares of ₹ 1/- each	3,500.00	3,500.00
500,00,00,000 Preference shares of ₹ 1/- each	500.00	500.00
	4,000.00	**4,000.00**
Issued, subscribed and fully paid up capital	**496.52**	**496.52**
496,52,40,401 Equity shares of ₹1/- each (Previous year 496,52,40,401 Equity shares of ₹ 1/- each) fully paid up	496.52	496.52
Add : 13,921 Equity Shares forfeited of ₹ 10/- each, ₹ 5/- paid up (₹ 69,605/-)	0.01	0.01
Total	**496.53**	**496.53**

(i) Reconciliation of number of equity shares and amount outstanding at the beginning and at the end of the year

(₹ in Crore)

Particulars	No. of shares		Amount	
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
Equity shares of ₹ 10/- each				
At the beginning of the year	4,965,240,401	4,965,240,401	496.53	496.53
Add: issue of Shares as per Approved Resolution Plan (refer note a below)	-	-	-	-
Less : equity shares cancelled (₹ 10,827/-) (refer note b below)	-	-	-	-
At the end of the year	**4,965,240,401**	**4,965,240,401**	**496.53**	**496.53**

a) During the earlier year, in accordance with the Approved Resolution Plan, the Parent Company on 10th September, 2020, further allotted on preferential basis:- 115,32,00,000 equity shares of the face value of ₹ 1/- (Rupee One only) each, fully paid up, to Reliance Industries Limited, pursuant to conversion of debt; and 160,14,00,000 equity shares of the face value of ₹ 1/- (Rupee One only) each, fully paid up, to JM Financial Asset Reconstruction Company Limited acting in its capacity as a Trustee of 'JMFARC- March 2018 – Trust'- (JMFARC), pursuant to conversion of debt. Accordingly the same has been issued for a consideration other than cash.

b) During the earlier year, in accordance with the Approved Resolution Plan, 10,827 equity shares belonging to the erstwhile promoters of the Parent Company stand cancelled and extinguished.

(ii) Shareholders holding more than 5 percent shares in the Parent Company

Name of the Shareholder	No. of shares		As at	
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
Reliance Industries Limited	1,986,533,333	1,986,533,333	40.01%	40.01%
JM Financial Asset Reconstruction Company Limited Acting in its capacity as Trustee of JMFARC-March 2018-Trust	1,737,311,844	1,737,311,844	34.99%	34.99%

% change during the year 2021-22 - Nil

(iii) Rights, preferences and restrictions attached to equity shares

i) The Parent Company has one class of equity shares having a par value of 1 per share. Each holder of equity share is entitled to one vote per share.

ii) Right to receive dividend as may be approved by the Board of Directors / Annual General Meeting.

iii) The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.

iv) Every member of the Parent Company holding equity shares has a right to attend the General Meeting of the Parent Company and has a right to vote in proportion to his share of the paid-up capital of the Parent Company.

v) In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Parent Company, after distribution of all preferential amounts, in proportion to their shareholding.

15 Other Equity

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital Reserve		
Balance as per last Balance Sheet	1,984.89	1,984.89
Add : Addition during the year	-	-
	1,984.89	**1,984.89**
Note: This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.		
Capital Reserve (on Consolidation)		
Balance as per last Balance Sheet	14.52	14.52
Add : Addition during the year	-	-
	14.52	**14.52**
Capital Redemption Reserve		
Balance as per last Balance Sheet	9.10	9.10
Add : Addition during the year	-	-
	9.10	**9.10**
Note: Capital redemption reserve was created during the year ended 31 March 2012, on merger of Grabal Alok Impex Limited (Subsidiary of the Parent Company)		
Securities premium account		
Balance as per last Balance Sheet	1,160.31	1,160.31
Add : Addition during the year	-	-
	1,160.31	**1,160.31**
Note: Securities premium is used to record the excess of the amount received over the face value of the shares. This reserve will be utilised in accordance with the provision of the Companies Act, 2013.		
General Reserve		
Balance as per last Balance Sheet	293.30	280.90
Add : Addition during the year	-	12.40
	293.30	**293.30**

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Note: General reserve is used from time to time to transfer profits from Retained earnings for appropriation purpose. This reserve will be utilised in accordance with the provision of the Companies Act, 2013		
Other comprehensive income		
a) Foreign Currency Translation Reserve		
Balance as per last Balance Sheet	(180.52)	(139.07)
Add: for the year	(116.89)	(41.45)
	(297.41)	**(180.52)**
Note: Exchange differences arising on translation of the foreign operations are recognised in Other Comprehensive Income as described in Accounting Policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.		
b) Others		
Balance as per last Balance Sheet	20.13	20.63
Add : Addition during the year	4.23	(0.50)
	24.36	**20.13**
Note: This relates to the remeasurement impact of defined benefit plans and income tax effect of the same.		
Equity component of compound financial instrument		
9% Optionally Convertible Preference Shares		
Balance as per last balance sheet	-	12.40
Add/(less) : Transferred to General Reserve	-	(12.40)
	-	**-**
(Deficit)/surplus in the statement of profit and loss		
Retained earnings	(21,705.57)	(21,496.97)
Profit / (Loss) for the year	(880.46)	(208.60)
	(22,586.03)	**(21,705.57)**
Note: This represents the surplus/ (deficit) of the statement of profit or loss. The amount that can be distributed by the Group as dividends to its equity shareholders is determined based on the separate financial statements of the Group and also considering the requirements of the Companies Act, 2013.		
Total	**(19,396.96)**	**(18,403.84)**

16 Non current borrowings

Unsecured at amortised cost

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
9% Optionally Convertible Preference Shares (refer note (i) below)	240.31	239.35
Secure term loans at amortised cost		
- Term Loans (Refer (ii), (iii) and (iv) below)		
- Loans from Banks	4,205.95	4,811.19
- Vehicle loan	0.46	0.42
- Rupee Loans - From Asset Reconstruction Company (ARC)	14,517.44	14,517.44
- Rupee Loans - From Body Corporate	2,866.58	2,866.58
Total	**21,830.74**	**22,434.98**

Note:

(i) Optionally Convertible Preference Shares :

As per the Approved Resolution Plan, the Parent Company had issued and allotted 250,00,00,000 9% Optionally Convertible Preference Shares (OCPS) of ₹ 1/- each to Reliance Industries Limited(RIL). (i) These OCPS are redeemable at the end of 10 years from the date of allotment i.e. 28th February 2020. (ii) dividend @9% per annum on outstanding amount is payable on cumulative basis.

(ii) a) Security for term loans - Parent Company - Alok Industries Limited

(₹ in Crore)

Nature of security	Banks *	ARC	Body Corporate	Total
Primary: First charge on *pari-passu* basis over all fixed assets of the Company. **Collateral:** (1) First charge on *pari-passu* basis over the fixed assets of Alok Infrastructure Limited (a wholly owned subsidiary); (2) Second charge on all current asset of the Parent Company (both present & future).	4,790.12 (5,119.81)	- (-)	- (-)	4,790.12 (5,119.81)
Second charge over all movable and immovable assets of the Parent Company and fixed assets of Alok Infrastructure Limited, mortgaged/ to be mortgaged in favour of the above Term Loan lenders.	- (-)	- (-)	2,866.58 (2,866.58)	2,866.58 (2,866.58)
Subordinate charge to the charge created in favour of RIL, over all movable and immovable assets of the Parent Company and Alok Infrastructure Limited.	- (-)	14,517.44 (14,517.44)	- (-)	14,517.44 (14,517.44)
Total	**4,790.12** **(5,119.81)**	**14,517.44** **(14,517.44)**	**2,866.58** **(2,866.58)**	**22,174.14** **(22,503.83)**

(previous year figures in brackets)

* including current maturities of long term debts.

b) The balance borrowings from banks of ₹ 27.86 crore (previous year ₹ 32.81 crore) is secured by way of mortgage over property, plant and equipment, receivables and other movable assets owned by the subsidiary company i.e Mileta a.s.

c) Vehicle loan is secured by a charge on the underlying vehicles hypothecated with banks.

(iii) Terms of repayment of Secured Term Loans

Non-current (₹ in Crore)

Particulars	Effective rate of Interest	0-3 Years	3-4 Years	Beyond 4 Years	Total
Rupee Term Loan From Bank *	8% - 9% p.a.	2,553.55	1,087.87	1,148.70	4,790.12
	(8% - 9% p.a.)	(1,894.07)	(1,004.47)	(2,221.27)	(5,119.81)
Other Term Loan From Bank *	5% - 6% p.a.	27.86	-	-	27.86
	(5% - 6% p.a.)	(32.81)	-	-	(32.81)
Rupee Loans - From Asset Reconstruction Company (ARC)	refer note 'a' below	-	-	14,517.44	14,517.44
	refer note 'a' below	-	-	(14,517.44)	(14,517.44)
Rupee Loans - From Body Corporate	refer note 'a' below	-	-	2,866.58	2,866.58
	refer note 'a' below	-	-	(2,866.58)	(2,866.58)
Vehicle loan		0.46	-	-	0.46
		(0.42)	(-)	(-)	(0.42)
Total		**2,581.87**	**1,087.87**	**18,532.72**	**22,202.46**
		(1,927.30)	**(1,004.47)**	**(19,605.29)**	**(22,537.06)**

(previous year figures in brackets)

* including current maturities of long term debts

Note a - As per the approved resolution plan, loans from asset reconstruction company and body corporate are interest free for a period of 8 years, post which the terms of the assigned debt shall be mutually agreed among the resolution applicants and the Parent Company (Refer note 32).

(iv) During the earlier year (FY 2020-21), in accordance with the Approved Resolution Plan, JMFARC Limited and Reliance Industries Limited have converted debt amounting to ₹ 5,298.58 crore into equity, whereby the Parent Company has issued 2,75,46,00,000 equity shares at face value ₹ 275.46 crore, (refer note 14).

17 Provisions

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Non current		
Gratuity (refer note 45)	20.77	23.54
Leave encashment	20.66	18.60
Total	**41.43**	**42.14**
Current		
Leave encashment	6.34	5.40
Others	0.64	0.12
Total	**6.98**	**5.52**

18 Current borrowings

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured, at amortised cost :		
Cash credit / demand loans from Banks (refer note a below)	269.56	233.63
Current maturities of long term debts	612.03	341.43
Demand loan from JM Financial Asset Recon. Co. Ltd (refer note b below)	104.78	104.78
Unsecured		
Temporary overdrawn bank balances	0.01	0.01
Loan from body corporate (refer note c below)	730.95	672.02
Convertible Debentures (refer note c below)	603.27	554.63
Total	**2,320.60**	**1,906.50**

Note:

a) Working capital loans are secured by; (i) first ranking pari-passu charge on the current assets of the Parent Company, both present and future (ii) second ranking pari-passu charge (after term loan) over the movable fixed assets of the Parent Company, both present and future. (iii) loan is repayable on demand and carrying interest 7% to 9% per annum.

The Parent Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the parent Company. The quarterly returns/statements filed by the parent Company with such banks are in agreement with the books of account of the parent Company.

As at 31st March 2023, the Parent Company had available ₹ 56.84 crores (Previous Year: ₹ 107.87 crores) of undrawn committed borrowing facilities.

b) Loan is repayable on demand and is secured by hypothecation of current assets of Alok Infrastructure Limited (Subsidiary).

c) This represents borrowings availed from / debentures issued to Triumphant Victory Holdings Limited.

19 Trade payable

(₹ in Crore)

Particulars	As At 31st March, 2023	As At 31st March, 2022
Total outstanding dues of micro enterprises and small enterprises (refer a) below)	55.69	58.23
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,569.62	1,267.51
Total	**1,625.31**	**1,325.74**

Refer note 43 for related party balance.

Notes:

a) Disclosure Under the Micro and Small Enterprises Development Act, 2006 are provided as under for the year 2022-23, to the extent the Group has received intimation from the "Suppliers" regarding their status under the Act;

(₹ in Crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	55.69	58.23
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the previous accounting year	1.14	1.14
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) Interest provided earlier not payable as per the terms of approved resolution plan	(1.14)	-
(v) The amount of interest due and payable for the year	-	-
(vi) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	1.14
(vii) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

The information has been given in respect of such vendor to the extent they could be identified as Micro and Small Enterprise as on the basis of information available with the Group.

Ageing of Trade payables

As at 31st March, 2023

(₹ in Crore)

Particulars	Outstanding for following periods from transaction date				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	55.69	-	-	-	55.69
Others	1,447.85	11.07	7.16	103.54	1,569.62
Disputed dues (MSMEs)	-	-	-	-	-
Disputed dues (Others)	-	-	-	-	-
	1,503.54	**11.07**	**7.16**	**103.54**	**1,625.31**

As at 31st March, 2022

(₹ in Crore)

Particulars	Outstanding for following periods from transaction date				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	58.23	-	-	-	58.23
Others	1,163.43	7.44	0.24	96.40	1,267.51
Disputed dues (MSMEs)	-	-	-	-	-
Disputed dues (Others)	-	-	-	-	-
	1,221.66	**7.44**	**0.24**	**96.40**	**1,325.74**

Unbilled trade payables of ₹ 0.60 crore (previous year ₹ 12.92 crore), are disclosed under "less than 1 year" in the above ageing schedule.

20 Other payable

(₹ in Crore)

Particulars	As At 31st March, 2023	As At 31st March, 2022
Others (includes outstanding expenses & salaries & wages payable)	166.80	121.62
Total	**166.80**	**121.62**

Ageing of Other payables

As at 31st March, 2023

(₹ in Crore)

Particulars	Outstanding for following periods from transaction date				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Others	139.30	2.38	-	25.12	166.80
	139.30	**2.38**	**-**	**25.12**	**166.80**

As at 31st March, 2022

(₹ in Crore)

Particulars	Outstanding for following periods from transaction date				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Others	88.33	3.40	4.24	25.65	121.62
	88.33	**3.40**	**4.24**	**25.65**	**121.62**

21 Other financial liabilities

(₹ in Crore)

Particulars	As At 31st March, 2023	As At 31st March, 2022
Non current, unsecured		
Interest accrued but not due	69.53	47.03
Total	69.53	47.03
Current		
Unsecured, at amortised cost :		
Interest accrued but not due	0.37	0.37
Interest accrued and due	61.82	50.38
Creditors for Capital Goods	0.28	0.13
Deposit from vendors	16.59	-
Total	**79.06**	**50.88**

22 Other current liabilities

(₹ in Crore)

Particulars	As At 31st March, 2023	As At 31st March, 2022
Other payables		
Contract liabilities	197.37	184.49
Statutory dues payable	12.34	15.00
Others	-	0.98
Total	**209.71**	**200.47**

23 Revenue From Operations

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
a) Sale of product		
Sales - local	5,600.28	5,411.07
Sales - export	1,217.22	1,729.99
	6,817.50	**7,141.06**
b) Sale of services		
Job work charges	31.46	38.51
	6,848.96	**7,179.57**
c) Other operating revenue		
Export incentives	71.33	110.73
Sale of scrap	17.00	19.20
Total	**6,937.29**	**7,309.50**

Timing of revenue recognition

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Goods transferred at a point in time	6,817.50	7,141.06
Services transferred at a point in time	31.46	38.51
Other operating revenue transferred at a point in time	88.33	129.93
Total revenue from contracts with customers	**6,937.29**	**7,309.50**

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Revenue as per contracted price	7,081.57	7,433.36
Less: Discounts	(67.72)	(39.98)
Less: Sales return	(24.65)	(20.75)
Less: Commission	(51.91)	(63.13)
Revenue from contracts with customers	**6,937.29**	**7,309.50**

Performance Obligation

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 7 to 90 days from delivery. There are no material unsatisfied performance obligation outstanding at the year end.

The performance obligations of the Group are part of contracts that have an original expected duration of less than one year and accordingly, the Group has applied the practical expedient and opted not to disclose the information about it's remaining performance obligations in accordance with IND AS 115.

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Trade receivables (refer note 10)	344.74	503.79
Contract assets (refer note 13)	1.21	1.53
Contract liabilities (refer note 22)	197.37	184.49

Trade receivables are non interest bearing and are generally on terms of 7 to 90 days.

Contract assets includes amounts related to contractual right to consideration for completed performance objectives not yet invoiced.

Contract liabilities include payments received in advance of performance under the contract, and are realised with the associated revenue recognised under the contract.

Set out below is the amount of revenue recognised from:

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Amounts included in contract liabilities at the beginning of the year	184.49	174.28
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	18.55	12.00

24 Other income

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest Income :		
- Bank fixed deposits	2.50	3.51
- Others	0.03	0.13
	2.53	**3.64**
Profit on sale of fixed assets (net)	22.23	1.01
Exchange rate difference (net)	26.97	27.82
Gain on financial instruments at fair value through profit or loss	-	0.68
Sundry credit balances written back	4.07	7.59
Rental income	2.94	1.45
Gain on reversal of Impairment of investment in joint ventures	1.95	-
Other non operating Income	4.03	2.72
	62.19	**41.27**
	64.72	**44.91**

25 Cost of materials consumed

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Raw Material Consumed		
Inventory at the beginning of the year (refer note 9)	257.21	242.62
Add: Purchases	4,570.77	4,891.81
Less: Inventory at the end of the year (refer note 9)	(248.83)	(257.21)
	4,579.15	**4,877.22**
Packing Materials Consumed		
Inventory at the beginning of the year (refer note 9)	12.01	11.58
Add: Purchases	260.64	277.91
Less: Inventory at the end of the year (refer note 9)	(7.25)	(12.01)
	265.40	**277.48**
Total	**4,844.55**	**5,154.70**

26 Changes in inventories of finished goods, work-in-progress and stock-in-trade

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Opening stock (refer note 9)		
Finished Goods	413.13	280.31
Work-in-progress	519.24	374.71
Stock in Trade (Traded Goods)	5.65	5.47
	938.02	**660.49**
Closing stock (refer note 9)		
Finished Goods	323.86	413.13
Work-in-progress	385.98	519.24
Stock in Trade (Traded Goods)	4.77	5.65
	714.61	**938.02**
Total	**223.41**	**(277.53)**

27 Employee benefit expenses

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Salaries and wages	430.95	395.08
Contribution to provident and other Funds (refer note 45)	37.52	33.55
Employees welfare expenses	14.77	12.36
Gratuity expense (refer note 45)	8.49	8.31
Total	**491.73**	**449.30**

28 Finance costs

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest expense on:		
Term Loans	434.68	444.32
Working capital loans	19.33	7.56
Preference shares	23.46	24.32
Lease liabilities (refer note 49)	0.54	-
Others	23.23	-
Total	**501.24**	**476.20**

29 Depreciation and amortisation expense

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Depreciation of property plant and equipment (refer note 2)	361.74	341.26
Depreciation on investment properties (refer note 3)	0.72	0.69
Amortization of intangible assets (refer note 2)	0.08	0.03
Depreciation on right-of-use assets (refer note 2)	2.37	0.18
Total	**364.91**	**342.16**

30 Other expenses

(₹ in Crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Stores and spares consumed	113.21	104.87
Power and fuel	847.73	799.91
Processing charges	85.35	68.96
Labour charges	122.25	136.73
Freight, coolie and cartage	71.05	97.74
Legal and professional fees	15.67	13.84
Rent	16.11	15.72
Rates and taxes	6.37	5.47
Repairs and maintenance		
Plant and machinery	23.12	26.49
Factory building	5.70	3.56
Others	5.83	7.25
Loss on financial instruments at fair value through profit or loss	3.25	-
Impairment allowance for doubtful debts (refer note 10)	20.83	9.69
Impairment allowance for doubtful financial/non-financial assets (refer note 8 & 13)	-	2.55
Directors' sitting fees	0.08	0.09
Payment to auditor (refer note below)	2.52	2.87
Insurance	23.02	23.51
Sundry balance written off	3.38	2.20
Miscellaneous expenses	71.58	89.69
Total	**1,437.05**	**1,411.14**
Note:		
Payment to auditor		
As auditor		
Audit fees	1.23	1.62
Limited review	1.21	1.22
In other capacity		
Certification fees	0.03	0.02
Out of pocket expenses	0.05	0.01
Total	**2.52**	**2.87**

31 Going Concern

In the earlier year, the Parent Company has completed all the steps as laid down in the resolution plan approved by the National Company Law tribunal vide its order dated 8th March 2019 and the resolution applicants had obtained joint control over the Parent Company and the Board of Directors had been re-constituted on 14th September 2020, being the closing date as determined by the Parent Company in terms of the resolution plan.

During the FY 2022-23, owing to extreme volatility in raw material prices, subdued demand from overseas markets with hike in energy prices, the Group incurred a loss of ₹ 880.46 crore. It has accumulated losses of ₹ 22,586.03 crore and its current liabilities exceed its current assets by ₹ 2,605.07 crore as at 31st March 2023. The market condition is improving and considering the cash flow projection of the Parent Company, the financial results have been prepared on a going concern basis.

32 As per resolution plan approved by the National Company Law Tribunal vide its order dated 8th March 2019, the outstanding debt of ₹ 17,384.02 crore 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. The Approved Resolution Plan has an overriding effect on the Accounting Standard. Had the Parent 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.

33 As on June 2017, the Parent Company had an amount of ₹ 11,623.94 crore receivable from trading debtors on account of sale of fabric ("Outstanding Trading Dues"). As at 31st March 2019, the Parent Company had created full provision against said receivables by charging it to the statement of profit and loss in earlier years. As per the Approved Resolution Plan, if any of the trading debtors make payment towards the Outstanding Trading Dues or any person is required to contribute to the assets of the Parent Company under any legal process against the Outstanding Trading Dues and has contributed the same, such amounts (net of any income tax payable by the Parent Company on account of such receipt of the Outstanding Trading Dues) shall be deposited in a designated escrow account ("Escrow Account") opened in the name of the Parent Company. Provided however, nothing contained in the resolution plan shall oblige the Resolution Applicants or the Parent Company to take steps for recovery of the Outstanding Trading Dues.

Accordingly, the Parent Company has an obligation to deposit into the escrow account any collections received out of the "Outstanding Trading Dues" or otherwise, as stated above, for the benefit of the Financial Creditors and as a result therefore, the risk and reward associated with the Outstanding Trading Dues now belong to the Financial Creditors. Accordingly the Parent Company had derecognised the said outstanding trade receivables and related provisions in the books. The Parent Company has not received any amounts towards Outstanding Trading Dues in the current year.

34 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on preliminary assessment, the Parent Company belives the impact of the change will not be significant.

35 The subsidiary companies considered in the consolidated financial statements are:

Sr. No.	Name of the subsidiary companies	Country of Incorporation	Ownership Interest 31st March, 2023	Ownership Interest 31st March, 2022
1	Alok Infrastructure Limited	India	100%	100%
2	Alok International Inc.	USA	100%	100%
3	Mileta, a. s.*	Czech Republic	100%	100%
4	Alok Industries International Limited	British Virgin Island	100%	100%
5	Grabal Alok International Limited	British Virgin Island	100%	100%
6	Alok Singapore Pte Ltd.	Singapore	100%	100%
7	Alok International (Middle East) FZE	United Arab Emirates	100%	100%
8	Alok Worldwide Limited	British Virgin Island	100%	100%
9	Grabal Alok (UK) Limited **	British Virgin Island	99.87%	99.87%

* Consolidated based on unaudited financial statements / information which is not material to the Group.

** Grabal Alok (UK) Limited went under liquidation process in the United Kingdom with effect from 10 July, 2017. Hence not considered for consolidation for the year.

36 Joint venture companies considered in the consolidated financial statements are:

Sr. No.	Name of the joint venture companies	Country of Incorporation	Ownership Interest 31st March, 2023	Ownership Interest 31st March, 2022
1	Aurangabad Textile and Apparel Park Limited *	India	49.00%	49.00%
2	New City of Bombay Mfg. Mills Limited *	India	49.00%	49.00%

* Consolidated based on unaudited financial statements / information and is not material to the Group.

37 Disclosure of additional information pertaining to the Parent company, subsidiaries and joint venture as per Schedule III of the Companies Act 2013 :

(₹ in crore)

Sr. No.	Name of the company in the group	Net Assets (Total assets minus total liabilties) 31st March, 2023 As % of consolidated net assets	Net assets	Share in Profit & Loss after tax 31st March, 2023 As % of consolidated Profit / Loss	Profit / (Loss)	Share in Other Comprehensive Income (OCI) 31st March, 2023 As % of consolidated OCI	OCI	Share in Total Comprehensive Income (TCI) 31st March, 2023 As % of consolidated TCI	TCI
	Parent Company								
	Alok Industries Limited	91.64%	(17,320.72)	99.37%	(874.89)	(3.75%)	4.23	87.67%	(870.66)
	Subsidiaries								
	Indian								
1	Alok Infrastructure Limited	7.75%	(1,465.61)	1.46%	(12.84)	-	-	1.29%	(12.84)
	Foreign								
1	Alok Industries International Limited	11.18%	(2,112.26)	(0.10%)	0.90	151.22%	(170.37)	17.06%	(169.47)
2	Grabal Alok International Limited	4.07%	(769.47)	-	-	55.07%	(62.05)	6.25%	(62.05)
3	Mileta, a. s.	(0.50%)	95.19	(0.84%)	7.41	(0.49%)	0.55	(0.80%)	7.96
4	Alok International Inc.	2.50%	(473.22)	0.00%	(0.00)	34.13%	(38.46)	3.87%	(38.46)
5	Alok Worldwide Limited	(0.01%)	1.40	-	-	(0.10%)	0.11	(0.01%)	0.11
6	Alok Singapore Pte Ltd.	0.83%	(157.34)	-	-	11.26%	(12.69)	1.28%	(12.69)
7	Alok International (Middle East) FZE	0.08%	(14.87)	-	-	1.07%	(1.20)	0.12%	(1.20)
8	Alok Global Trading (Middle East) FZE	(0.00%)	0.00	-	-	-	-	-	-

(₹ in crore)

Sr. No.	Name of the company in the group	Net Assets (Total assets minus total liabilties)		Share in Profit & Loss after tax		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		31st March, 2023		31st March, 2023		31st March, 2023		31st March, 2023	
		As % of consolidated net assets	Net assets	As % of consolidated Profit / Loss	Profit / (Loss)	As % of consolidated OCI	OCI	As % of consolidated TCI	TCI
	Joint Venture companies								
	Indian								
1	New City of Bombay Mfg. Mills Limited	-	-	0.07%	(0.62)	-	-	0.06%	(0.62)
2	Aurangabad Textile and Apparel Park Limited	-	-	0.04%	(0.35)	-	-	0.04%	(0.35)
	Inter-company eliminations / consolidation adjustments	(17.55%)	3,316.47	0.01%	(0.05)	(148.43%)	167.22	(16.83%)	167.15
	Total	**100.00%**	**(18,900.43)**	**100.00%**	**(880.44)**	**100.00%**	**(112.66)**	**100.00%**	**(993.12)**

(₹ in crore)

Sr. No.	Name of the company in the group	Net Assets (Total assets minus total liabilities)		Share in Profit & Loss after tax		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		31st March, 2022		31st March, 2022		31st March, 2022		31st March, 2022	
		As % of consolidated net assets	Net assets	As % of consolidated Profit / Loss	Profit / (Loss)	As % of consolidated OCI	OCI	As % of consolidated TCI	TCI
	Parent Company								
	Alok Industries Limited	91.86%	(16,450.05)	88.29%	(184.18)	1.18%	(0.50)	73.71%	(184.68)
	Subsidiaries								
	Indian								
1	Alok Infrastructure Limited	8.11%	(1,452.78)	5.99%	(12.50)	-	-	4.99%	(12.50)
	Foreign								
1	Alok Industries International Limited	10.85%	(1,942.79)	0.16%	(0.34)	127.60%	(53.53)	21.50%	(53.87)
2	Grabal Alok International Limited	3.95%	(707.42)	-	-	46.47%	(19.49)	7.78%	(19.49)
3	Mileta, a. s.	(0.44%)	79.02	4.17%	(8.70)	-	-	3.47%	(8.70)
4	Alok International Inc.	2.43%	(434.76)	0.00%	(0.00)	5.02%	(2.11)	0.84%	(2.11)
5	Alok Worldwide Limited	(0.01%)	1.29	-	-	(0.08%)	0.04	(0.01%)	0.04
6	Alok Singapore Pte Ltd.	0.81%	(144.65)	-	-	9.50%	(3.99)	1.59%	(3.99)
7	Alok International (Middle East) FZE	0.08%	(13.67)	-	-	0.99%	(0.42)	0.17%	(0.42)
8	Alok Global Trading (Middle East) FZE	(0.00%)	0.00	-	-	-	-	-	-
	Joint Venture companies								
	Indian								
1	New City of Bombay Mfg. Mills Limited	-	-	0.29%	(0.61)	-	-	0.24%	(0.61)
2	Aurangabad Textile and Apparel Park Limited	-	-	0.18%	(0.37)	-	-	0.15%	(0.37)
	Inter-company eliminations / consolidation adjustments	(17.64%)	3,158.50	0.91%	(1.90)	(90.71%)	38.05	(14.43%)	36.15
	Total	**100.00%**	**(17,907.31)**	**100.00%**	**(208.60)**	**100.00%**	**(41.95)**	**100.00%**	**(250.55)**

38 Contingent Liabilities in respect of:

(₹ in crore)

Sr. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
A	Customs duty on shortfall in export obligation in accordance with Export Import Policy of India	17.72	23.09
B	Claims against Group not acknowledged as debt	0.12	0.12
C	Maharashtra Value Added Tax (under arbitration as initiated by the aggreived party as per Agreement) (refer note 3 below)	17.33	17.33
D	Take or Pay claim filed by GAIL (India) Limited under their long term Gas Sale Agreement (refer note 4 below)	-	343.06

Note

1) Claims / Debts against the Parent Company upto the closing date which are addressed under the NCLT approved resolution plan are not included in contingent liabilities though many of such claims / debts may be pending for disposal at various judicial forums. As per clause 3.3.4 of the aforesaid resolution plan, these liabilities stands extinguished. Accordingly, the management has assessed that the possibility of outflow of resources embodying economic benefits with respect to such claims / debts is remote.

2) All direct and indirect tax liabilities relating to assessments of earlier year upto the closing date stand extinguished as per the NCLT approved resolution plan. Further, the implementation of the resolution plan does not have any effect over claims or receivables owed to the Parent Company. Accordingly, the Parent Company has assessed that any receivables due to the Parent Company, evaluated based on merits of underlying litigations, from various governmental agencies continues to subsist.

3) In Subsidiary Company, arbitration proceeds initiated by Peninsula Land Limited before the Tribunal towards VAT, ITFS and other related liabilities.

4) The Parent Company had entered into a 15-year Gas Sale Agreement (GSA) dated 27th May 2013 with GAIL India Limited ('GAIL') for the supply of re-liquified natural gas (RLNG) which included a Take or Pay (ToP) obligation on the Parent Company. All of GAIL's claims against the Parent Company were dealt with as per the provisions of the resolution plan which was submitted during the Corporate Insolvency Resolution Process of the Parent Company and which was duly approved by the Hon'ble National Company Law Tribunal, Bench at Ahmedabad (NCLT) vide its dated 08 March 2019. For and in relation to the periods thereafter (post the closing date i.e. 14th September 2020), GAIL raised demands (which, as on 31st March 2023, aggregate to ₹ 717.95 Crores). These demands were made purportedly under the ToP regime of the said GSA, despite however the Hon'ble NCLT already having directed a re-negotiation of the GSA. Aggrieved, GAIL challenged the said order of the Hon'ble NCLT by preferring an appeal before the Hon'ble National Company Law Appellate Tribunal (NCLAT). GAIL's appeal, however, came to be dismissed by the Hon'ble NCLAT's order dated October 4, 2021. This order of Hon'ble NCLAT was then challenged by GAIL by preferring an appeal before the Hon'ble Supreme Court. Even this appeal of GAIL was dismissed by the Hon'ble Supreme Court by its order dated March 21, 2022.

   In the circumstances, the Hon'ble NCLT's order, which was effective throughout and which had directed a renegotiation of the GSA under which GAIL made its claims, has thus now attained finality. The Parent Company has since also sought legal opinion in the matter and based on it and the aforesaid circumstances, the Parent Company is of the view that in terms of the order of the Hon'ble NCLT, there is no liability, either contingent or otherwise, under the GSA as claimed by GAIL or otherwise. The Parent Company has already in terms of the said order of the Hon'ble NCLT initiated the process for renegotiation of the GSA with GAIL and the same is pending finalization.

39 Capital Commitment

(₹ in crore)

Particulars	31st March, 2023	31st March, 2022
Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)	16.66	28.65

40 The Parent Company has determined that there is no reasonable certainty that the deferred tax assets will be utilised in near future. On the basis of such assessment the Parent Company has not recognised any net deferred tax assets as at 31st March, 2023.

41 Alok Infrastructure Limited was admitted under the corporate insolvency resolution ("CIR") process in terms of the Insolvency and Bankruptcy Code, 2016 ("Code"), vide an order dated 24 October 2018 of the Hon'ble National Company Law Tribunal, Mumbai ("Adjudicating Authority"). The Resolution Professional has subsequently, under the advice of the Committee of Creditors filed an Application under Section 12A of the Code withdrawing the insolvency petition. Accordingly the Adjudicating authority vide Order dated 22nd March, 2021 has allowed the withdrawl application filed by the Resolution Professional.

42 In the earlier year, Group has performed an impairment assessment of the recoverability of the carrying value of its investments in the joint ventures i.e Aurangabad Textiles & Apparel Parks Limited and New City of Bombay Mfg. Mills Limited and accordingly impaired the full value in the books. In doing so, Group has taken into consideration the Group's share in expected recovery of assets of the joint ventures, net of any liabilities and guarantees given by the Group in respect of the joint ventures.

43 Related Party Disclosure

A. Name and transactions / balances with related parties

Names of related parties and nature of relationship

As per Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures", Group's related party disclosures are as below:

(A) Parties having joint control over the Company

Sr. no.	Name of the enterprises
1	Reliance Industries Limited
2	JM Financial Asset Reconstruction Company Limited Acting in its capacity as Trustee of JMFARC-March 2018-Trust

(B) Joint Venture

Sr. no.	Name of the enterprises
1	Aurangabad Textiles & Apparel Parks Limited
2	New City Of Bombay Mfg. Mills Limited

(C) Key Management Personnel (KMP)

Sr. no.	Name of the KMP
1	Siddharth Achuthan, (Non-Executive, Independent Director)
2	Anil Kumar Rajbanshi, (Non-Executive, Non Independent Director)
3	Hemant Desai (Non-Executive, Non Independent Director)
4	Venkataraman Ramachandran (Non-Executive, Non Independent Director),
5	Nirav Parekh (Non-Executive, Non Independent Director)
6	Rahul Dutt (Non-Executive, Independent Director)
7	Mumtaz Bandukwala (Non-Executive, Independent Director)
8	Bijay Agrawal, Chief Financial Officer
9	Sunil O. Khandelwal, Manager
10	Hitesh Kanani, Company Secretary

(D) Members of the same Group (Reliance Industries Limited) with whom transactions are entered

Sr. no.	Name of the enterprises
1	Reliance Retail Limited
2	Reliance Corporate IT Park Limited
3	Reliance Commercial Dealers Limited
4	Reliance Gas Pipelines Limited
5	Indiawin Sports Private Limited
6	Reliance Projects & Property Management Limited
7	Gujarat Chemical Port Limited

8	Dhirubhai Ambani International School
9	GLF Lifestyle Brands Private Limited
10	Brooks Brothers India Private Limited
11	Canali India Private Limited
12	Reliance Lifestyle Products Private Limited
13	Sir H N Hospital Trust
14	Reliance Foundation
15	Sikka Ports & Terminals Limited
16	Genesis La Mode Private Limited
17	GML India Fashion Private Limited
18	Reliance Brands Luxury Fashion Private Limited
19	Reliance Brands Limited
20	Marks and Spencer Reliance India Private Limited
21	Jamnagar Utilities and Power Private Limited
22	Ryohin-Keikaku Reliance India Private Limited
23	Reliance Paul & Shark Fashions Private Limited
24	Reliance Syngas Limited
25	Clarks Reliance Footwear Private Limited
26	Diesel Fashion India Reliance Private Limited
27	Hathway Cable & Datacom Limited
28	Reliance Bally India Private Limited
29	Reliance Jio Infocom Limited
30	Sintex Industries Limited (from 30 March 2023)
31	Jio Platforms Limited

B. Transactions with related parties and outstanding balances are as below.

(₹ in crore)

Particulars	Parties having joint control over the Company		Members of the same group i.e. Reliance Industries Limited		Joint venture company	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Transactions						
Sales of Goods	64.83	90.15	338.36	239.16	-	-
Sales of duty credit scrips	-	-	82.57	33.03	-	-
Purchase of Goods	3,068.25	3,082.20	0.80	0.92	-	-
Purchase of property, plant & equipments	-	-	-	0.01	-	-
Software implementation	-	-	0.50	-	-	-
Business support services	2.35	3.16	0.26	-	-	-
Internet expenses	-	-	0.35	0.25	-	-
Interest expenses	12.57	12.57	-	-	-	-
Interest on Preference Share capital	23.46	24.25	-	-	-	-
Finance cost - others	12.81	-	-	-	-	-
Outstanding as at 31 March						
9% Optionally convertible preference shares	240.31	239.35	-	-	-	-
Non-current Borrowings	17,384.02	17,384.02	-	-	-	-
Current Borrowings	104.78	104.78	-	-	-	-

(₹ in crore)

Particulars	Parties having joint control over the Company		Members of the same group i.e. Reliance Industries Limited		Joint venture company	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Trade receivables	8.02	9.11	55.43	75.51	-	-
Impairment provision	(3.29)	(3.28)	(0.52)	(0.52)	-	-
Trade receivables net of impairment	4.73	5.83	54.92	74.99	-	-
Other Receivables	-	-	-	12.86	-	-
Advance from customer	-	-	7.62	0.08	-	-
Non current Investments	-	-	-	-	91.53	92.50
Impairment in the value of investment	-	-	-	-	(91.53)	(92.50)
Non-current Investments (net of impairment)						
Trade payables	928.29	643.92	0.82	0.98	-	-
Advance to vendor	-	-	0.09	-	-	-
Interest Accrued and due	61.82	49.24	-			
Interest Accrued but not due	69.53	47.03	-	-	-	-

Transactions and outstanding balance with Key Management Personnel, Relatives of KMP & Company / Firms in which KMP & relatives of KMP are interested

(₹ in crore)

Particulars	Key Management Personnel		Relatives of Key Management Personnel		Company/ Firms in which relatives of key management persons interested	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Transactions						
During the year ended						
Remuneration *	3.51	3.07	-	-	-	-
Outstanding as at 31 March						
Trade payables (Remuneration)	0.29	0.40	-	-	-	-

* This do not include the provision made for gratuity and expenses for Leave Encashment as they are determined on an actuarial basis for the Parent Company as a whole.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured, interest free and will be settled in cash. There have been no guarantees received or provided for any related party receivables or payables.

Disclosure in respect of significant transaction of the same type with related parties during the year

(₹ in crore)

Particulars	2022-23	2021-22
Sales of Goods		
Reliance Industries Limited	64.83	90.15
Reliance Retail Limited	335.07	237.19
Sir H N Hospital Trust	0.55	1.19
	400.45	**328.53**
Sales of duty credit scrips		
Reliance Brands Limited	13.40	10.30
Marks and Spencer Reliance India Private Limited	34.37	9.75
Reliance Retail Ltd	11.97	-

(₹ in crore)

Particulars	2022-23	2021-22
Genesis La Mode Private Limited	4.66	5.10
Reliance Brands Luxury Fashion Private Limited	4.12	3.71
GLF Lifestyle Brands Private Limited	2.87	2.91
GML India Fashion Private Limited	4.97	1.25
	76.36	**33.02**
Purchase of goods		
Reliance Industries Limited	3,068.25	3,082.20
Reliance Retail Limited	0.50	0.92
	3,068.75	**3,083.12**
Purchase of property, plant & equipments		
Reliance Retail Limited	-	0.01
	-	**0.01**
Software implementation		
Jio Platforms Limited	0.50	-
	0.50	**-**
Business support service		
Reliance Industries Limited	2.35	3.16
Reliance Retail Limited	0.26	-
	2.61	**3.16**
Finance cost - others		
Reliance Industries Limited	12.81	
	12.81	**-**
Internet Expense		
Reliance Jio Infocom Limited	0.30	0.20
Hathway Cable & Datacom Limited	0.05	0.02
	0.35	**0.22**
Interest Expense		
JM Financial Asset Reconstruction Company Limited	12.57	12.57
	12.57	**12.57**
Interest on Preference Shares		
Reliance Industries Limited	23.46	24.25
	23.46	**24.25**
Remuneration *		
Bijay Agrawal	0.94	0.86
Hitesh Kanani	0.71	0.70
Sunil O. Khandelwal	1.86	1.51
	3.51	**3.07**

* This do not include the provision made for gratuity and expenses for Leave Encashment as they are determined on an actuarial basis for the Parent Company as a whole.

Disclosure in respect of significant balances of the same type with related parties

(₹ in crore)

Particulars	31st March, 2023	31st March, 2022
Investments in joint venture		
Aurangabad Textiles & Apparel Parks Limited	15.62	15.98
New City Of Bombay Mfg. Mills Limited	75.91	76.52
	91.53	**92.50**
Impairment in value of investment in joint venture		
Aurangabad Textiles & Apparel Parks Limited	(15.62)	(15.98)
New City Of Bombay Mfg. Mills Limited	(75.91)	(76.52)
	(91.53)	**(92.50)**
Trade payables		
Reliance Industries Limited	928.29	643.92
Reliance Retail Limited	0.24	0.98
Jio Platforms Limited	0.57	-
	929.10	**644.90**
Interest Accrued but not due		
Reliance Industries Limited	69.53	47.03
	69.53	**47.03**
Interest Accrued and due		
JM Financial Asset Reconstruction Company Limited	61.82	49.24
	61.82	**49.24**
Trade receivable		
Reliance Industries Limited	8.02	9.11
Reliance Retails Limited	55.40	62.55
	63.42	**71.66**
Trade receivables (Impairment allowance based on expected credit loss)		
Reliance Industries Limited	3.29	3.28
Reliance Retails Limited	0.52	0.47
Reliance Brands Limited	-	0.03
Genesis La Mode Private Limited	-	0.01
	3.81	**3.79**
Other Receivables		
Reliance Brands Limited (₹ 10862/-)	0.00	6.16
GLF Lifestyle Brands Private Limited	-	2.91
Genesis La Mode Private Limited	-	2.89
	0.00	**11.96**
Advance from trade receivables		
Sir H N Reliance Foundation Hospital	0.05	0.08
Sintex Industries Limited (from 30 March 2023)	7.57	-
	7.62	**0.08**
Advance to vendor		
Sintex Industries Limited (from 30 March 2023)	0.09	-
	0.09	**-**
Remuneration payable *		
Bijay Agrawal	0.08	0.12
Hitesh Kanani	0.06	0.10
Sunil O. Khandelwal	0.15	0.18
	0.29	**0.40**

(₹ in crore)

Particulars		31st March, 2023	31st March, 2022
Borrowings			
(a)	9% Optionally convertible preference shares (including debt and equity component)		
	Reliance Industries Limited	240.31	239.35
		240.31	**239.35**
(b)	Non current borrowings		
	Reliance Industries Limited	2,866.58	2,866.58
	JM Financial Asset Reconstruction Company	14,517.44	14,517.44
		17,384.02	**17,384.02**
(c)	Current borrowings		
	JM Financial Asset Reconstruction Company Limited	104.78	104.78
		104.78	**104.78**

* This do not include the provision made for gratuity and expenses for Leave Encashment as they are determined on an actuarial basis for the Parent Company as a whole.

C. Joint Venture

The Parent Company has interests in the following jointly controlled entities, which are incorporated in India.

(₹ in crore)

Name of the company	Amount of interest				
	Assets	Liabilities	Income	Expenses	Contingent liability
New City of Bombay Mfg. Mills Limited	44.98	14.06	0.01	0.63	0.10
Country of Incorporation - India % of share holding - 49%	(45.74)	(14.22)	(0.01)	(0.62)	(0.10)
Aurangabad Textile and Apparel Park Limited	5.94	0.15	0.05	0.39	-
Country of Incorporation - India % of share holding - 49%	(6.28)	(0.13)	(0.03)	(0.39)	(-)

Previous year figures are given in brackets.

44 Earnings per share (EPS)

The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows:

Sr. No.	Particulars	31st March, 2023	31st March, 2022
a.	Face value of equity shares per share (In Rupees)	1	1
b.	**Basic and Diluted EPS**		
	Profit for the year attributable to equity holders of Group after exceptional items (₹ In Crore)	(880.46)	(208.60)
	Weighted average number of equity shares outstanding for Basic EPS	4,965,240,401	4,965,240,401
	Add : Weighted average number of potential equity shares on account of issue of Preference shares	-	-
	Weighted average number of equity shares outstanding for diluted EPS	4,965,240,401	4,965,240,401
	Earnings per share after exceptional item		
	Basic (in ₹)	(1.77)	(0.42)
	Diluted (in ₹)	(1.77)	(0.42)

Note: Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations. If the Potential ordinary shares are anti-dilutive then Basic EPS is considered for Dilutive EPS.

45 Disclosures Pursuant to – "Employee benefits":

i) Defined contribution plans:

The Parent Company's contribution to Provident Fund for the year 2022-23 aggregating to ₹ 9.30 crore (Previous Year: ₹ 8.04 crore), ₹ 0.88 crore (Previous Year: ₹ 0.87 crore) for ESIC has been recognised in the statement of profit and loss under the head employee benefits expense. (Refer Note 27).

ii) Defined benefit plans:

Gratuity Plan:

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

The Parent Company makes annual contribution to the Employee's Company Gratuity Assurance Scheme, a funded defined benefit plan for qualifying employees. The Fund invests in the scheme of insurance with the Life Insurance Corporation of India, IndiaFirst Life Insurance Company Limited, SBI Life Insurance Company Limited and Canara HSBC Life Insurance Company Limited. The scheme provides for lump sum payment to vested employees at retirement, 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.

The plans typically expose the Company to actuarial risks such as: interest rate risk, longevity risk and salary risk.

Interest risk : The plan exposes the Company to the risk off all in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity Risk : The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have abearing on the plan's liabilty.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31st March, 2023 by KP Actuaries and Consultants LLP. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Project Unit Credit Method as per Ind AS 19.

The following table sets out the status of the gratuity plan for the year ended 31 March 2023 as required under Ind AS 19.

(₹ in crore)

	Particulars	Gratuity (funded) as at	
		31st March, 2023	**31st March, 2022**
I.	**Change in Defined Benefit Obligation**		
	Opening Defined Benefit Obligation	47.40	41.15
	Current Service Cost	6.87	7.08
	Interest Cost	3.27	2.56
	Actuarial gain	(4.99)	0.26
	Benefits Paid	(4.61)	(3.65)
	Closing Defined Benefit Obligation	**47.94**	**47.40**
II.	**Change in Fair Value of Plan Assets**		
	Opening Fair value of plan assets	23.86	20.41
	Expected Return on Plan Assets	1.65	1.27
	Contribution by Employer	7.53	6.06
	Benefits Paid	(5.87)	(3.88)
	Closing Fair Value of Plan Assets	**27.17**	**23.86**
III.	**Net Liability recognised in the Balance Sheet**	**20.77**	**23.54**

(₹ in crore)

Particulars		Gratuity (funded) as at	
		31st March, 2023	31st March, 2022
IV.	**a) Expense recognised in statement of Profit and Loss**		
	Current Service Cost	6.87	7.08
	Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	1.62	1.23
	Total Included in Employment Expenses	**8.49**	**8.31**
	b) Included in other Comprehensive Income	**(4.23)**	**0.50**
V.	**Actual return on Plan Assets**	**-**	**0.24**
VI.	**Investments details (Invested through Trustees of Alok Industries Limited Employees Group Gratuity Assurance Scheme) :**		
	Insurer Managed Funds	27.17	23.86
		100%	100%
VII.	**The assumptions used in accounting for the gratuity are set out below:**		
	Discount rate	7.40%	6.90%
	Rate of increase in compensation levels of covered employees	6.00%	6.00%
	Expected Rate of return on plan assets *	6.90%	6.25%
	Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
	Attrition / withdrawal rate	8.00%	8.00%
VIII.	**Future contribution :**		
	Amount expected to be contributed in the next 12 months	28.17	31.60

* Expected rate of return on plan assets is based on expectation of the average long term rate of return expected to prevail over the estimated term of the obligation on the type of the investments assumed to be held by respective insurance companies, since the fund is managed by Insurer. The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotions and other relevant factors.

Experience Adjustments:

(₹ in crore)

Particulars	Year Ended				
	31st March, 2023	31st March, 2022	31st March, 2021	31st March, 2020	31st March, 2019
Defined benefit obligation	47.94	47.40	41.15	40.15	38.26
Plan Assets	27.17	23.86	20.41	19.51	8.66
Surplus / (Deficit)	(20.77)	(23.54)	(20.74)	(20.64)	(29.60)
Experience Adjustments on plan Liabilities	(3.18)	2.71	(2.89)	(6.16)	(0.82)

Asset Allocation:

Since the investments are held in the form of deposit with the fund managers, these are not volatile and the market value of assets is the cost value of assets and has been accordingly considered for the above disclosure.

Sensitivity Analysis:

(₹ in crore)

Particulars	31st March, 2023	31st March, 2022
Defined Benefit Obligation (Base)	47.94	47.41

(₹ in crore)

Particulars	31st March, 2023		31st March, 2022	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	51.69	44.66	51.28	44.02
(% change compared to base due to sensitivity)	7.80%	-6.80%	8.20%	-7.10%
Salary Growth Rate (- / + 1%)	44.75	51.51	44.15	51.04
(% change compared to base due to sensitivity)	-6.70%	7.40%	-6.90%	7.70%
Attrition Rate (- / + 50% of attrition rates)	46.72	48.53	46.67	47.70
(% change compared to base due to sensitivity)	-2.60%	1.20%	-1.60%	0.60%
Mortality Rate (- / + 10% of mortality rates)	47.93	47.96	47.40	47.42
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

Maturity Profile of Defined Benefit Obligation:

(₹ in crore)

Expected cash flows over the next (valued on undiscounted basis):	Amount
1 year	6.68
2 to 5 years	20.03
6 to 10 years	22.36
More than 10 years	45.72

46 Segment Information:

The Chief Operating Decision Maker (CODM) monitors the operating results at the Group level for the purpose of making decisions about resource allocation and performance assessment. Accordingly, the Group operates in a single primary segment namely “Textiles”, which constitutes a reportable segment as per Ind AS 108.

a. Geographic Information

(₹ in crore)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Revenue from operations from customers within India	5,648.74	5,468.78
Revenue from operations from customers outside India	1,288.55	1,840.72
	6,937.29	**7,309.50**

b. Major Customer

There are no customers who individually contribute more than 10%of Group’s total Revenue.

c. Segment assets

(₹ in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Assets within India	7,031.21	7,818.59
Assets outside India	429.90	408.98
	7,461.11	**8,227.57**

47 Fair value Measurement

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments that are recognised in the financial statements.

(₹ in crore)

Sr. No.	Particulars	Fair value as at 31st March, 2023	Fair value as at 31st March, 2022
A	**Financial Asset**		
I)	**Measured at amortised cost**		
(i)	Investments	0.05	0.05
(ii)	Trade receivables	344.74	503.79
(iii)	Other receivables	11.77	71.54
(iv)	Cash and cash equivalent	13.86	16.95
(v)	Other bank balances	45.79	42.37
(vi)	Other financial assets includes Security deposits	21.49	22.41
II)	**Measured at fair value through profit & loss (FVTPL)**		
	Other financial assets		
	Derivative assets (Forward contract)	0.15	2.00
	Total Financial Assets	**437.85**	**659.11**
B	**Financial Liabilities**		
(I)	**Measured at amortised cost**		
(i)	Borrowings	23,911.03	24,102.13
(ii)	Convertible Preference Shares	240.31	239.35
(iii)	Lease liability	11.38	-
(iv)	Trade payables	1,625.31	1,325.74
(v)	Other payables	315.39	219.53
	Total Financial Liabilities	**26,103.42**	**25,886.75**

Set out below, is a fair value measurement hierarchy and comparison by class of carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts which are reasonable approximations of their fair values:

31st March, 2023				Fair values measurement using		
Particulars	**Valuation Techniques**	**Carrying values**	**Fair Values**	**Level 1**	**Level 2**	**Level 3**
Other financial assets						
Derivative assets (Forward contract)	Mark to Market	0.15	0.15	-	0.15	-

31st March, 2022				Fair values measurement using		
Particulars	**Valuation Techniques**	**Carrying values**	**Fair Values**	**Level 1**	**Level 2**	**Level 3**
Other financial assets						
Derivative assets (Forward contract)	Mark to Market	2.00	2.00	-	2.00	-

Fair value hierarchy

The Group uses the following hierarchy for determining and/or disclosing the fair value of financial instrument by valuation technique:

(i) Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities;

(ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

(iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

There has been no transfers between level 1 & level 2 during the period.

48 Capital Management and Financial Risk Management Framework

The Group being in a working capital intensive industry, its objective is to maintain a strong credit rating, healthy ratios and establish a capital structure that would maximize the return to stakeholders through optimum mix of debt and equity.

The Group's capital requirement is mainly to fund its capex, working capital, repayment of principal and interest on its borrowings. The principal source of funding of the Group has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Group is not subject to any externally imposed capital requirements.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Since net worth of the Group is negative, debt equity ratio is not calculated.

The key risks associated with day to day operations of the Group and working capital management are given below:

A Credit Risk:

Credit risk is the risk that counter party will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The Group is exposed to credit risk mainly from trade receivables and other financial assets.

i) Trade Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables. Concentrations of credit risk with respect to trade receivables are limited.

The following table gives details in respect of percentage of revenue generated from the top ten customers.

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Revenue from top 10 customers	22%	24%

ii) Other Financial Assets & loans

The Group has limited credit risk arising from cash and cash equivalents as the deposits are maintained with banks and financial institutions with high credit rating. Further, other financial assets mainly comprises of Export incentives and balances with statutory authorities (GST input credit balances) which are recoverable from Government. Hence, these are low risk items and the Group evaluates the recoverability of these financial assets at each reporting date and wherever required, a provision is created against the same.

B. Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks – interest rate risk, currency risk and other price risk in a fluctuating market environment. Financial instrument affected by market risks includes loans and borrowings, deposits, derivatives and other financial assets.

i) Currency Risk

The Group's functional currency is Indian Rupees (INR). The Group undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Group's revenue from export markets and the costs of imports. The Group has exports and to that extent has a natural hedge as a mitigation measure to cover foreign exchange risk on account of imports/expenses in foreign currency.

The Group manages its foreign currency risk by entering into forward contracts.

Derivatives outstanding as at the reporting date (in respective currency) as at 31st March, 2023 and 31st March, 2022

Particulars of Transactions	Year	Currency	Foreign Currency (in crores)	INR (₹ in crore)
Forward cover to Sale USD – Trade Receivables	2022-23	USD	0.80	65.77
Forward cover to Sale USD – Trade Receivables	2021-22	USD	3.00	226.76

Particulars of unhedged foreign currency exposure as at the reporting date

Particulars of Transactions	Currency	31st March 2023		31st March 2022	
		Foreign Currency (in crores)	INR (₹ in crore)	Foreign Currency (in crores)	INR (₹ in crore)
Import trade payable	USD	0.43	35.33	0.25	19.18
	EUR	0.002	0.21	0.004	0.33
	GBP	-	-	0.002	0.18
	CHF	0.002	0.19	0.003	0.21
	JPY	4.75	2.94	7.26	4.50
Export trade receivable	USD	1.64	135.17	3.33	251.85
	EUR	0.04	3.58	0.08	6.44

Foreign Currency Sensitivity

5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit and negative number below indicates a decrease in profit.

Following is the analysis of change in profit and pre-tax equity where the Indian Rupee strengthens and weakens by 5% against the relevant currency:

(₹ in crore)

Currency	Effect on profit before tax Change in rate (upward 5%)		Effect on profit before tax Change in rate (downward 5%)	
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
CHF	(0.01)	(0.01)	0.01	0.01
Euro	0.17	0.31	(0.17)	(0.31)
JPY	(0.15)	(0.23)	0.15	0.23
USD	4.99	11.63	(4.99)	(11.63)
GBP	-	(0.01)	-	0.01

Foreign currency exposure & sensitivity disclosed above excludes balances of foreign subsidiaries denominated in the local currency of the country of operation

ii) Interest rate risk

a) Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Group are principally denominated in rupees with a mix of fixed and floating rates of interest. The Group has exposure to interest rate risk, arising principally on changes in base lending rate. The Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

b) The profile of the Group's fixed and floating rate borrowings is given below:

(₹ in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Variable interest rate borrowings	5,192.33	5,491.04
Fixed interest rate borrowings	240.31	239.35

The Group has a long term borrowing of ₹ 17,384.02 crore which is interest free for a period of 8 years as per the resolution plan (Refer note 32). Being interest free, there is no interest rate risk on this loan for the next 8 years. Further subsidiaries Alok Industries International Limited and Alok World Wide Limited have interest free borrowings to the tune of ₹ 1334.22 Cr.

Interest rate sensitivity

If interest rates had been 50 basis points higher/lower and all other variables were held constant, following is the impact on profit and pre-tax equity. A positive effect is decrease in profit and negative effect is increase in profit.

(₹ in crore)

Particulars	Currency	Increase / decrease in basis points	Effect on profit before tax
31st March, 2023	INR	50.00	26.02
	INR	(50.00)	(26.02)
31st March, 2022	INR	50.00	27.51
	INR	(50.00)	(27.51)

iii) Commodity Price Risk

Commodity price risk arises due to fluctuation in prices of raw materials like PTA, MEG, cotton and yarn. The Group has a risk management framework aimed at prudently managing the risk arising from the volatility in commodity prices and freight costs. The Group's commodity risk is managed centrally through well-established trading operations and control processes.

C. Financial risk management objectives

The Group has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Group's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Group's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Group.

D Liquidity Risk:

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Group requires funds both for short term operational needs as well as for long term capital expenditure for capex. The Group generates sufficient cash flow for operations, which together with the available cash and cash equivalents provide liquidity in the short-term and long-term. The Group has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk through cash generated from operations, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. As at 31st March, 2023, the Parent Company has undrawn committed borrowing facilities amounting to ₹ 56.84 crore and the Company expects to enjoy all the working capital limits sanctioned to it in FY 23-24.

During the current year, due to the adverse market situation, the Parent Company's performance has been impacted, which has led to breach of some of the financial covenants of the term loans. The Parent Company is regular in payment of interest and repayment of loan instalments and expects to meet all future obligations as and when due and hence the said covenant default is not expected to have any adverse impact on the financial statements.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The contractual maturity is based on the earliest date on which the Group may be required to pay.

31st March, 2023 (₹ in crore)

Particulars	On Demand	Less Than 1 Year	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years	Total
(a) Non Derivative financial instruments							
9% Optionally convertible preference shares	-	-	-	-	-	240.31	240.31
Long term borrowings		612.03	-	1,969.84	1,087.87	18,532.72	22,202.46
Short term borrowings							
Cash Credit Facilities/ Working Capital Loan	374.35	-	-	-	-	-	374.35
Borrowings from related parties	93.13	1,241.09	-	-	-	-	1,334.22
Trade payables							
Trade payables - Micro & Small enterprises	-	55.69	-	-	-	-	55.69
Trade payables - other than Micro & Small enterprises	-	1,569.62	-	-	-	-	1,569.62
Other payable	-	166.80	-	-	-	-	166.80
Other financial liabilities							
Interest accrued on borrowings	131.72	-	-	-	-	-	131.72
Lease liabilities	-	4.25	4.61	2.53			11.38
Creditors for Capital Supplies / Services	-	0.28	-	-	-	-	0.28
Deposit received	-	16.59	-	-	-	-	16.59
Total	**599.20**	**3,666.35**	**4.61**	**1,972.37**	**1,087.87**	**18,773.03**	**26,103.42**

31st March, 2022 (₹ in crore)

Particulars	On Demand	Less Than 1 Year	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years	Total
(a) Non Derivative financial instruments							
9% Optionally convertible preference shares	-	-	-	-	-	239.35	239.35
Long term borrowings	-	341.43	-	1,585.87	1,004.47	19,605.29	22,537.07
Short term borrowings							
Cash Credit Facilities/ Working Capital Loan	338.42	-	-	-	-	-	338.42
Borrowings from related parties	85.62	1,141.02	-	-	-	-	1,226.64
Trade payables							
Trade payables - Micro & Small enterprises	-	58.23	-	-	-	-	58.23
Trade payables - other than Micro & Small enterprises	-	1,267.51	-	-	-	-	1,267.51
Other payable	-	121.62	-	-	-	-	121.62
Other financial liabilities							
Interest accrued on borrowings	96.64	-	-	-	-	-	96.64
Unclaimed / Unpaid dividends	-	1.14	-	-	-	-	1.14
Creditors for Capital Supplies / Services	-	0.13	-	-	-	-	0.13
Total	**520.69**	**2,931.08**	**-**	**1,585.87**	**1,004.47**	**19,844.64**	**25,886.75**

49 Operating Leases

Group as a lessee

The Group has lease contracts for land used in its operations, which has a lease terms of 95 years. Refer note 2 for disclosure relating to right of use assets.

The Group has also entered into new lease contracts for factory buildings with tenure of 10 years with a lock in period of 3 years.

As per the terms of lease, the Group was required to make one-time advance lease payment for the leased land. Hence, following the terms of the leased agreement, the Group has made the one-time lease payment and consequently, there are no lease liabilities recorded in the Balance Sheet as at 31st March, 2023.

Set out below are the carrying amounts of lease liabilities (on the face of Balance sheet under Financial Liabilities) and the movements during the period:

(₹ in crore)

Particulars	31st March, 2023	31st March, 2022
Opening Balance	-	-
Additions/Deletions	13.37	-
Accretion of Interest	0.54	-
Payments	(2.53)	-
Closing Balance	11.38	-
Current	4.25	-
Non-Current	7.13	-

The following are the amounts recognised in statement of profit & loss:

(₹ in crore)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Depreciation expense of right-of-use assets	2.37	0.18
Interest expense on lease liabilities	0.54	-
Rent Expense (included in other expenses)	16.11	15.72
Total amount recognised in profit or loss	**19.02**	**15.90**

The Group had total cash outflows for leases of INR ₹ 2.53 crore in 31 March 2023 (Previous Year: ₹ Nil).

incremental borrowing rate for lease liabilities is 9%.

Extention and termination option

The lease of building contain termination options exercisable by both the lessor and the lessee after the end of the non-cancellable contract period. Where practicable, the Group seeks to include termination options in new leases to provide economic viability. The Group assesses at lease commencement whether it is reasonably certain to exercise the termination options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

Group as a lessor

The Group has entered into leases on its investment property portfolio consisting of certain Residential flats and commercial buildings (see Note 3). These leases have terms of between 5 and 20 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Rental income recognised by the Group during the year is ₹ 2.06 crore (previous year ₹ 1.45 crore). There are no non-cancellable leases.

50 As per Section 135 of the Companies Act, 2013, a company meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects.

A CSR committee has been formed by the Group as per the Act. The Group has incurred losses in current and in previous years, Accordingly, as the average net profit for immediately preceding three financial years is NIL there are no amounts required to be spend on corporate social responsibility under section 135 of the Companies Act, 2013. Consequently, there are no unspent amount on ongoing projects / other than ongoing projects.

51 The Parent Company and its subsidiary which is a company incorporated in India has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or its subsidiary which is a company incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Further, The Parent Company and its subsidiary which is a company incorporated in India has not received any funds from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or its subsidiary which is a company incorporated in India shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

52 Other Disclosure

a) There are no proceedings initiated or are pending against the Group for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

b) The Group has not entered into any transactions with struck off companies during the year.

c) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

d) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

f) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

g) The Group has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

53 Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosure.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI firm registration number - 324982E/E300003

per Pramod Kumar Bapna
Partner
Membership Number: 105497

Place: Mumbai
Date: 19th April 2023

For and on behalf of the Board of Directors of
Alok Industries Limited

Sunil Khandelwal
Manager

Bijay Agrawal
Chief Financial Officer

Hitesh Kanani
Company Secretary

A. Siddharth	(Chairman)	(DIN:00016278)
Mumtaz Bandukwala	(Non-Executive, Independent Director)	(DIN:07129301)
Rahul Dutt	(Non-Executive, Independent Director)	(DIN:08872616)
Hemant Desai	Non-Executive, Non Independent Director	(DIN:00008531)
Anil Kumar Rajbanshi	Non-Executive, Non Independent Director	(DIN:03370674)
V. Ramachandran	Non-Executive, Non Independent Director	(DIN:02032853)
Nirav Parekh	Non-Executive, Non Independent Director	(DIN:09505075)

Place: Mumbai
Date: 19th April 2023

Corporate Identity Number of Alok Industries Limited - L17110DN1986PLC000334

ANNEXURE

To the Financial Statements for the year ended 31st March, 2023

Statement containing salient features of the financial statement of subsidiaries/ joint ventures as per Section 129(3) of the Companies Act, 2013

Part “A”: Subsidiaries

(₹ in Crore)

		Name of the subsidiary							
		Alok Infrastructure Limited	**Alok World Wide Limited**	**Alok Singapore Pte Ltd.**	**Alok International (middle east) FZE**	**Alok International, Inc.**	**Alok Industries International Limited**	**Grabal Alok International Limited**	**Mileta a.s**
	The date since when subsidiary was acquired / associated	01/09/2006	15/07/2013	28/12/2011	01/08/2011	05/05/2008	25/01/2007	01/03/2012	14/02/2007
1	Reporting Period	April - March	April - March	April - March	April - March	April - March	April - March	April - March	April - March
2	Reporting Currency	INR	USD	USD	AED	USD	USD	USD	CZK
3	Share Capital	0.05	0.00	0.00	1.31	0.00	0.22	71.03	88.04
4	Reserves & Surplus	(1,465.66)	1.40	(157.34)	(16.18)	(473.22)	(2,112.48)	(840.49)	7.15
5	Total Assets	336.27	1,078.68	14.77	51.15	26.24	202.46	4.75	211.35
6	Total liabilities	1,801.88	1,077.28	172.11	66.02	499.46	2,314.72	774.21	116.15
7	Investments	(0.00)				-			
8	Turnover	-	-	-	-	-	-	-	190.09
9	Profit/(Loss) before taxation	(12.84)	-	-	-	(0.00)	0.90	-	7.92
10	Provision for taxation	-	-	-	-	-	-	-	0.51
11	Profit/ (Loss) after taxation	(12.84)	-	-	-	(0.00)	0.90	-	7.41
12	Other Comprehensive Income	-	0.11	(12.69)	(1.20)	(38.46)	(170.37)	(62.05)	0.55
13	Total Comprehensive Income	(12.84)	0.11	(12.69)	(1.20)	(38.46)	(169.47)	(62.05)	7.96
14	Proposed Dividend	-	-	-	-	-	-	-	-
15	% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%

Exchange rate as on 31.03.2023, 1 USD = 82.2169, 1 AED = 22.3658, 1 CZK = 3.8061

Exchange rate as on 31.03.2022, 1 USD = 75.5874, 1 AED = 20.5579, 1 CZK = 3.4354

Notes:

1. Names of Subsidiaries which are yet to commence operations: NA

2. Names of subsidiaries which have been liquidated or sold during the year:

Two step-down subsidiaries of the Company namely – Springdale Information & Technologies Private Limited and Kesham Developers & Infotech Private Limited were dissolved w.e.f. 20.02.2012 vide orders dated 08.06.2022 and 14.09.2022 respectively of the Hon’ble High Court of Judicature at Bombay.

ANNEXURE

To the Financial Statements for the year ended 31st March, 2023

Part "B": Joint Venture

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Joint Ventures

(₹ in Crore)

			Joint Venture	
			New City of Bombay Mfg. Mills Ltd.	**Aurangabad Textile and Apparel Park Ltd.**
	The date since when joint ventures was acquired / associated		20/11/2007	20/11/2007
1	Latest un-audited Balance sheet date		31.03.2023	31.03.2023
2	Shares of Joint Ventures held by the Company on the year end			
	i)	Number	4,493,300	1,019,200
	ii)	Amount of Investment in Joint Venture	4.49	1.02
	iii)	Extend of Holding %	49%	49%
3	Description of how there is significant influence		There is significant influence due to percentage (%) of voting power	There is significant influence due to percentage (%) of voting power
4	Reason why the Joint venture is not consolidated		-	-
5	Net worth attributable to shareholding as per latest un-audited Balance Sheet		63.10	11.83
6	Profit / (Loss) for the year			
	I)	Considered in consolidation	(0.62)	(0.35)
	II)	Not considered in consolidation	(0.64)	(0.37)

1. Names of Joint Ventures which are yet to commence operations: NA

2. Names of Joint Ventures which have been liquidated or sold during the year: NA

For and on behalf of the Board of Directors of
Alok Industries Limited

Sunil Khandelwal
Manager

Bijay Agrawal
Chief Financial Officer

Hitesh Kanani
Company Secretary

A. Siddharth (Chairman) (DIN:00016278)

Mumtaz Bandukwala (Non-Executive, Independent Director) (DIN:07129301)

Rahul Dutt (Non-Executive, Independent Director) (DIN:08872616)

Hemant Desai Non-Executive, Non Independent Director (DIN:00008531)
Anil Kumar Rajbanshi Non-Executive, Non Independent Director (DIN:03370674)
V. Ramachandran Non-Executive, Non Independent Director (DIN:02032853)
Nirav Parekh Non-Executive, Non Independent Director (DIN:09505075)

Place: Mumbai
Date: 19th April 2023

Corporate Identity Number of Alok Industries Limited - L17110DN1986PLC000334

NOTICE

NOTICE is hereby given that the 36th Annual General Meeting of the Members of **ALOK INDUSTRIES LIMITED** ("the Company") will be held on **Friday, the 22nd day of September, 2023 at 12:30 p.m.** at **Victory Hall, Damanganga Valley (DGV) Resorts, Opp. Vandhara Garden, Naroli Road, Silvassa – 396 230, Union Territory of Dadra and Nagar Haveli**, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt (a) the audited standalone financial statement of the Company for the Financial Year ended 31st March, 2023 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the Financial Year ended 31st March, 2023 and the report of Auditors thereon and, in this regard, to consider and if thought fit, to pass the following resolutions as **Ordinary Resolutions:**

   a) **"RESOLVED THAT** the audited standalone financial statement of the Company for the Financial Year ended 31st March, 2023 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

   b) **"RESOLVED THAT** the audited consolidated financial statement of the Company for the Financial Year ended 31st March, 2023 and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

2. To appoint Mr. V. Ramachandran, who retires by rotation as a Director and, in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. V. Ramachandran (DIN: 02032853), who retires by rotation at this Meeting be and is hereby appointed as a Director of the Company."

SPECIAL BUSINESS:

3. To ratify the remuneration of Cost Auditors for the Financial Year ending 31st March, 2024 and, in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT in accordance with the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration, as approved by the Board of Directors and set out in the Statement annexed to the Notice, be paid to the Cost Auditors appointed by the Board of Directors, to conduct the audit of cost records of the Company for the Financial Year ending 31st March, 2024, be and is hereby ratified."

4. To approve increase in borrowing limits under Section 180(1)(c) of the Companies Act, 2013 and, in this regard, to consider and if thought fit, to pass the following resolution as a **Special Resolution:**

   "RESOLVED THAT in supersession of the resolution passed by the Members at the 27th Annual General Meeting of the Company held on 27th December, 2013, and pursuant to the provisions of Section 180(1)(c) and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution) to borrow any sum(s) of money(ies) from time to time, at its discretion, for the purpose of the business of the Company, which together with the money(ies) already borrowed and remaining outstanding (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed at any point of time, the aggregate of its paid-up share capital, free reserves and securities premium by a sum not exceeding ₹26,000 Crore (Rupees Twenty Six Thousand Crore Only);

   RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and to take all such steps as may be required to give effect to this resolution including fixing the terms and conditions of all such money(ies) to be borrowed from time to time as to interest, repayment, security or otherwise, finalizing and executing necessary agreement(s) and such other documents as may be required, for and on behalf of the Company, to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel or any officer/ executive of the Company and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this regard and all action(s) taken by the Company in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

5. To approve creation of mortgage, hypothecation and/or charge under Section 180(1)(a) of the Companies Act, 2013 and, in this regard, to consider and if thought fit, to pass the following resolution as a **Special Resolution:**

   "RESOLVED THAT in supersession of the resolution passed by the Members at the 27th Annual General Meeting of the Company held on 27th December, 2013, and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution) to create mortgage, hypothecations and/or charge, on all or any moveable/ immoveable properties or other assets of the Company wherever situated, both present and future, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, comprising the whole or substantially the whole of the undertaking(s) of the Company together with the power to take over the management of the business and concern of the Company in certain events of default, in favour of the Lender(s), Agent(s), Trustee(s) or any other person(s), for securing the borrowings of the Company by way of loans (in foreign currency and/ or Indian currency) and securities (comprising of fully/ partly Convertible Debentures and/ or Non-Convertible Debentures and/or other debt instruments), issued/to be issued by the Company, from time to time, subject to the limits as approved by the Members of the Company under Section 180(1)(c) of the Companies Act, 2013, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the Agent(s)/ Trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation/ revaluation/ fluctuation in the rates of exchange and all other money(ies) payable by the Company in terms of the Loan Agreement(s)/ Debenture Trust Deed(s)/ Security document(s) or any other document(s)/ agreement(s), entered into/to be entered into between the Company and the Lender(s), Agent(s), Trustee(s) or any other person(s), in respect of the said loans/ borrowings/ debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board and the Lender(s), Agent(s), Trustee(s) or any other person(s);

   RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and to take all such steps as may be required to give effect to this resolution including finalizing and executing necessary documents/ deeds/ writings/ papers/ agreements as may be required, for and on behalf of the Company, to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel or any officer/ executive of the Company and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this regard and all action(s) taken by the Company in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

6. To approve Material Related Party Transactions of the Company and in this regard, to consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations"), the applicable provisions of the Companies Act, 2013 ("the Act") read with rules made thereunder, other applicable laws/ statutory provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions and basis the approval of the Audit Committee and recommendation of the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded to the Company to enter into and/or continue the related party transaction(s)/ contract(s)/ arrangement(s)/ agreement(s) (in terms of Regulation 2(1)(zc)(i) of the Listing Regulations) in terms of the explanatory statement to this resolution and more specifically set out in Table nos. A1 and A2 in the explanatory statement to this resolution on the respective material terms & conditions as set out in each of Table nos. A1 and A2;

   RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Board and any duly constituted committee empowered to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary contract(s), arrangement(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company, to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel or any officer/ executive of the Company and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this regard and all action(s) taken by the Company in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

By Order of the Board of Directors
For **Alok Industries Limited**

Hitesh Kanani
Company Secretary and
Compliance Officer
Membership No.: F6188

Place: Mumbai
Date: 22nd August, 2023

Registered Office:
Survey Nos. 17/5/1 & 521/1,
Village Rakholi/ Saily, Silvassa – 396 230,
Union Territory of Dadra and Nagar Haveli.
CIN: L17110DN1986PLC000334
Website: www.alokind.com
E-mail: investor.relations@alokind.com
Tel No.: 0260-6637001

NOTES:

1. A statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") relating to the Special Business to be transacted at the Annual General Meeting ("AGM"/ "Meeting") is annexed hereto.

2. **A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.**

   A person can act as a proxy on behalf of Members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member. The proxy holder shall prove his identity at the time of attending the Meeting.

3. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.

4. In terms of the provisions of Section 152 of the Act, Mr. V. Ramachandran, retires by rotation as a Director at this Meeting. Nomination and Remuneration Committee and the Board of Directors of the Company have recommended his re-appointment. Mr. V. Ramachandran and his relatives shall be deemed to be interested in the Ordinary Resolution set out at Item No.2 of the Notice with regard to his re-appointment. Save and except above, none of the Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out at Item No. 2 of the Notice.

5. A detailed profile of Mr. V. Ramachandran along with additional information required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard on General Meetings is provided separately by way of an Annexure to the Notice.

6. In compliance with the Ministry of Corporate Affairs ("MCA") Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose e-mail address is registered with the Company/ Registrar and Transfer Agent (RTA)/ Depository Participants (DPs)/ Depositories. Members whose e-mail address is not registered with the Company/ DPs/ RTA/ Depositories, physical copies of Annual Report 2022-23 are being sent by the modes permitted under the Act. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website and can be accessed through the link: https://www.alokind.com/annualreport.html and websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively and on the website of NSDL at https://www.evoting.nsdl.com.

7. For receiving all communication (including Annual Report) from the Company electronically:

   a) Members holding the shares in physical mode and who have not registered/ updated their e-mail address with the Company are requested to register/ update the same by writing to the Registrar and Transfer Agent of the Company viz. Link Intime India Private Limited ("Link Intime" or "RTA"), C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400083 Tel: (022) 4918 6270, Fax: (022) 4918 6060, e-mail: rnt.helpdesk@linkintime.co.in.

b) Members holding the shares in dematerialized mode are requested to register/ update their e-mail address with the relevant Depository Participant.

8. Institutional/ Corporate Members (i.e. other than Individuals, HUFs, NRIs, etc.) intending to send their authorized representative(s) to attend the Meeting are required to send legible scanned certified true copy (in PDF Format) of the Board Resolution/ Power of Attorney/ Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s) at bhattvirendra1945@yahoo.co.in with a copy marked to evoting@nsdl.co.in. Such authorization shall contain necessary authority in favour of its authorized representative(s).

9. Members/ Proxies/Authorized Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copy(ies) of Annual Report.

10. In case of joint holders, the Member whose name appears as first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

11. Members of the Company under the category of 'Institutional Investors' are encouraged to attend and vote at the AGM.

12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act and other documents as referred in the Notice are available for inspection by the Members at the Registered Office of the Company during business hours on all working days except Saturdays, Sundays and National Holidays upto the date of the AGM.

13. MCA has notified provisions relating to unpaid/ unclaimed dividend under Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"). As per these Rules, dividends which are not encashed/ claimed by the Member for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund ("IEPF") Authority. The IEPF Rules also mandate the companies to transfer the shares of members whose dividends remain unpaid/ unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. The voting rights on shares transferred to IEPF shall remain frozen until the rightful owner of such shares claims the shares.

14. The Company has transferred the unpaid/ unclaimed dividends declared, from time to time, to the IEPF Authority established by the Central Government. Details of dividends so far transferred to the IEPF Authority are available on the Company's website and can be accessed through the link: https://www.alokind.com/Investor_Relations-pdf/Shareholders_Information/IEPF/Unclaimed_Equity_Dividend_Amount_Transferred_to_IEPF.pdf and have also been uploaded on the website of the IEPF Authority at www.iepf.gov.in. Further, the Company has also transferred to the IEPF Authority all the shares in respect of which dividend had remained unpaid/ unclaimed for seven consecutive years or more as on the due date of transfer. Details of the shares so far transferred to the IEPF Authority are available on the Company's website and can be accessed through the link: https://www.alokind.com/Investor_Relations-pdf/Shareholders_Information/IEPF/List_of_Shares_transferred_to_IEPF.pdf. The said details have also been uploaded on the website of the IEPF Authority at www.iepf.gov.in. Members may note that the shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from the IEPF Authority.

15. Members of the Company whose unclaimed dividend or the shares associated therewith have been transferred by the Company to the IEPF Authority in compliance with the statutory requirements as aforesaid, may visit the Company's website at https://www.alokind.com/Investor_Relations-pdf/Shareholders_Information/IEPF/Procedure_for_Claim_from_IEPF.pdf to understand the procedure in detail along with the supporting documents to be provided for claiming back the said unclaimed dividend or the shares from IEPF Authority.

16. Members are requested to address all correspondences, including shareholding related documents and dividend matters to the Company's RTA.

17. In accordance with the provisions of Schedule VI of Listing Regulations, the Company had opened a Demat Suspense Account with National Securities Depository Limited and as on 31st March, 2023, 30,540 Equity Shares are lying in the said account. The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

18. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination and power of attorney, Bank Mandate details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc.

- For shares held in electronic form: to their DP and changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and RTA to provide efficient and better service to the members. NSDL has provided a facility for registration/updation of e-mail address through the link: https://eservices.nsdl.com/kyc-attributes/#/login and opt-in/opt-out of nomination through the link: https://eservices.nsdl.com/instademat-kyc-nomination/#/login.

- For shares held in physical form: Pursuant to SEBI circulars, members are requested to furnish PAN, postal address, email address, mobile number, specimen signature, bank account details and nomination by submitting to RTA the forms given below along with requisite supporting documents:

Sr. No.	Particulars	Form
1.	Registration of PAN, postal address, e-mail address, mobile number, Bank Account Details or changes/ updation thereof	ISR -1
2.	Confirmation of Signature of shareholder by the Banker	ISR -2
3.	Registration of Nomination	SH-13
4	Cancellation or Variation of Nomination	SH-14
5	Declaration to opt out of Nomination	ISR -3
6	Request for issue of Duplicate Certificate and other Service Requests (Refer Point No. 19 below)	ISR -4
7	Request for Transmission of Securities by Nominee or Legal Heir	ISR -5

The aforesaid forms are available on the Company's website and can be accessed through the link: https://www.alokind.com/shareholder.html.

To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.

19. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the listed companies to issue securities in demat form only while processing service requests viz. issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR–4, the format of which is available on the Company's website and can be accessed through the link: https://www.alokind.com/Investor_Relations-pdf/Shareholders_Information/Downloads/Form_ISR-4.pdf and on the website of the Company's RTA and can be accessed through the link: https://linkintime.co.in/downloads.html. It may be noted that any service request can be processed only after the folio is KYC compliant. SEBI vide its notification dated 24th January, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

20. In compliance with the SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021 read with SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14th December, 2021, SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March 2023, the Company had sent letters to its Members, who were holding shares in physical form, intimating about the requirement to furnish valid PAN, KYC and Nomination details. The last date for providing the above information is 30th September, 2023, failing which such folios shall be frozen by RTA. If any such folio(s) continues to remain frozen as on 31st December, 2025, the same shall be referred by RTA/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002. The Members are advised to update their PAN, KYC and Nomination details at the earliest.

    In compliance with SEBI (letter no. SEBI/HO/OIAE/2023/03391 dated 27th January, 2023), in order to enhance investor awareness, the Company through its RTA had communicated to its Members, who were holding shares in physical form, via SMS and email, about the availability of Dispute Resolution Mechanism at Stock Exchanges against the Company/ RTA along with the weblinks for accessing the same.

21. Non-Resident Indian Members are requested to inform the Company/ Link Intime (if shareholding is in physical mode)/ respective DPs (if shareholding is in demat mode), immediately of:

    a) change in their residential status on return to India for permanent settlement; and

    b) particulars of their bank account maintained in India with account type, account number, name and address of the bank with pin code number, if not furnished earlier.

22. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 15th September, 2023 by sending e-mail on investor.relations@alokind.com. The same will be replied by the Company suitably.

23. Shareholders' Referencer giving guidance on securities related matters is available on the Company's website and can be accessed through the link: https://www.alokind.com/Investor_Relations-pdf/Shareholders_Information/Downloads/Shareholders_Referencer.pdf

24. **(A) PROCEDURE FOR REMOTE E-VOTING:**

i. Pursuant to the provisions of Section 108 and other applicable provisions of the Act read with the Rules made thereunder and Regulation 44 of Listing Regulations, as amended, read with circular dated 9th December, 2020 of SEBI on e-voting facility provided by listed entities, the Company is providing e-voting facility of National Securities Depository Limited (**"NSDL"**) to its Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means (**"remote e-voting"**).

ii. The remote e-voting facility will be available during the following period:

- **Commencement of e-voting:** 09:00 a.m. (IST) on Monday , 18th September, 2023
- **End of e-voting:** 05:00 p.m. (IST) on Thursday, 21st September, 2023.

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by NSDL upon expiry of the aforesaid period.

The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 15th September, 2023.

iii. The Board of Directors has appointed Mr. Virendra G. Bhatt, Company Secretary in Practice, (Membership No.: A 1157; Certificate of Practice No.: 124) or failing him Ms. Indrabala Javeri, Company Secretary in Practice, (Membership No.: A 2209, Certificate of Practice No.: 7245) as Scrutinizer to scrutinize the process of remote e-voting and voting at the AGM, in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose.

iv. The manner of voting by Individual members holding shares of the Company in demat mode, Members other than individuals holding shares of the Company in demat mode, Members holding shares of the Company in physical mode and Members who have not registered their e-mail address, is explained in the instructions given herein below.

(B) INFORMATION AND INSTRUCTIONS RELATING TO E-VOTING:

Once the Member has exercised the vote, whether partially or otherwise, the Member shall not be allowed to change it subsequently or cast the vote again.

How do I vote electronically using NSDL e-voting system?

The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-voting system

A) Login method for e-voting for Individual Members holding securities in demat mode:

In terms of SEBI circular dated 9th December, 2020 on e-voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Login method for Individual Members holding securities in demat mode is given below:

Type of Members	Login Method
Individual Members holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under "**Login**" which is available under '**IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on "**Access to e-voting"** under e-voting services and you will be able to see e-voting page. Click on company name or **e-voting service provider i.e. NSDL** and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "**Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or **e-voting service provider i.e. NSDL** and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period. 4. Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Members holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi/ Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login Easi/ Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi/ Easiest user will be able to see the e-voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or voting during the meeting. Additionally, there are also links provided to access the system of all e-voting service providers, so that the user can visit the e-voting service providers' website directly. 3. If the user is not registered for Easi/ Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN from a e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the evoting is in progress and also able to directly access the system of all e-voting Service Providers.
Individual Members (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Upon logging in, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000.
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

B) Login method for e-voting for Members other than Individual Members holding securities in demat mode and Members holding securities in physical mode.

How to Log-in to NSDL e-voting website?

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/ OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding the shares i.e. Demat (NSDL or CDSL) or Physical		Your User ID is:
a)	For Members who hold the shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b)	For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c)	For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for Members other than Individual Members are given below:
   a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
   c) How to retrieve your ‘initial password’?
      i. If your e-mail ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your e-mail ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
      ii. If your e-mail ID is not registered, please follow steps mentioned below in **process for those members whose e-mail ids are not registered**.
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
   a) Click on “**Forgot User Details/ Password?**” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) “**Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-voting will open.

Step 2: Cast your vote electronically on NSDL e-voting system.

How to cast your vote electronically on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-voting period and casting your vote during the General Meeting.

3. Now you are ready for e-voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/ modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Members

1. **Institutional/ Corporate members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Power of Attorney/ Authority Letter, etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to bhattvirendra1945@yahoo.co.in with a copy marked to evoting@nsdl.co.in. Institutional/ Corporate members (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/ Power of Attorney/ Authority Letter, etc. by clicking on "Upload Board Resolution/ Authority Letter" displayed under "e-voting" tab in their login.**

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions ("FAQs") for members and e-voting user manual for members available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Mr. Anubhav Saxena, Deputy Manager at evoting@nsdl.co.in.

C) Process for those members whose e-mail ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this Notice:

1. In case shares are held in physical mode please provide Folio No., Name of Member, scanned copy of the share certificate (front and back) or Letter of Confirmation, PAN (self-attested scanned copy of PAN Card), AADHAR (self-attested scanned copy of Aadhar Card) by e-mail to rnt.helpdesk@linkintime.co.in.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, Client Master or copy of Consolidated Account Statement, PAN (self-attested scanned copy of PAN Card), AADHAR (self-attested scanned copy of Aadhar Card) to investor.relations@alokind.com or RTA at rnt.helpdesk@linkintime.co.in. If you are an Individual Member holding shares in demat mode, you are requested to refer to the login method explained at **Step 1 (A) i.e. Login method for e-voting for Individual Members holding shares in demat mode**.

3. Alternatively, Members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated 9th December, 2020 on e-voting facility provided by Listed Companies, Individual Members holding shares in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are required to update their mobile number and e-mail ID correctly in their demat account in order to access e-voting facility.

OTHER INFORMATION RELATED TO VOTING

25. The facility for ballot/ polling paper shall be made available at the AGM and the Members attending AGM who have not cast their vote by remote e-voting shall be able to vote at the AGM through ballot/ polling paper.

26. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

27. Any person, who acquires the shares of the Company and becomes Member of the Company after dispatch of the Notice and holding the shares as of the cut-off date i.e. 15th September, 2023 may obtain the login ID and password by sending a request at evoting@nsdl.co.in.

28. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date i.e. 15th September, 2023 only shall be entitled to avail the facility of remote e-voting or for participation at the AGM and voting at the AGM through ballot paper. A person who is not a Member as on the Cut-off Date, should treat the Notice for information purpose only.

29. The Scrutinizer shall after the conclusion of voting at the AGM, first scrutinize the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make and submit, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized in writing, who shall countersign the same and declare the result of the voting forthwith.

30. The results of voting shall be declared within two working days of the conclusion of the AGM of the Company and subject to receipt of requisite number of votes, the Resolutions proposed in this Notice shall be deemed to have been passed on the date of the Meeting, 22nd September, 2023.

31. The results declared along with the consolidated scrutinizer's report will be available on Company's website at www.alokind.com and on NSDL's website at www.evoting.nsdl.com. The results shall simultaneously be communicated to BSE Limited and National Stock Exchange of India Limited.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

The following Statement sets out the material facts relating to Item No. 3 to 6 mentioned in accompanying Notice:

Item No. 3

Ratification of remuneration of the Cost Auditors for the Financial Year ending 31st March, 2024:

The Board of Directors has, approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company, for the Financial Year ending 31st March, 2024, as per the following details:

Name of the Cost Auditor	Industry	Cost Audit Fee (in ₹)
B.J.D. Nanabhoy & Co.	Plastics, Polymers and Textiles	₹ 1,13,850

In accordance with the provisions of Section 148 of the Companies Act, 2013 ("the Act") read with the Rules made thereunder, the remuneration payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board, has to be ratified by the members of the Company.

Accordingly, ratification by the Members is sought for the remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2024 by passing an Ordinary Resolution as set out at Item No. 3 of this Notice.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 3 of this Notice for ratification by the Members.

Item No. 4

Approval for increase in borrowing limits under Section 180(1)(c) of the Companies Act, 2013:

As per the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of the Company shall with the consent of the members of the Company by way of Special Resolution, borrow money(ies) in excess of the aggregate of paid-up share capital, free reserves and securities premium apart from temporary loans obtained from the Company's bankers in the ordinary course of business.

At the 27th Annual General Meeting of the Company held on 27th December, 2013, the Members of the Company pursuant to the provisions of Section 180(1)(c), authorized the Board of Directors of the Company to borrow from time to time a sum of money (apart from temporary loans obtained from bankers in the ordinary course of business) in excess of the aggregate of the paid-up capital of the Company, free reserves and securities premium, provided that, the sums of money(ies) so borrowed and remaining outstanding at any time shall not exceed ₹ 16,500 Crore (Rupees Sixteen Thousand Five Hundred Crore Only).

In view of the business requirements of the Company, the Board of Directors of the Company at their meeting held on 19th July, 2023, had approved, to borrow money from any Banks/ Financial Institutions/ bodies corporate/ other bodies/ entities/ persons upto an amount not exceeding ₹26,000 Crore (Rupees Twenty-Six Thousand Crore Only), outstanding at any point of time in excess of the aggregate of the paid-up capital, free reserves and securities premium subject to the approval of the Members of the Company.

It is therefore proposed to seek approval of Members authorizing the Board of Directors of the Company to borrow money(ies) upto ₹26,000 Crore, outstanding at any point of time, in excess of the aggregate of the paid-up share capital, free reserves and securities premium of the Company in terms of Section 180(1)(c) of the Companies Act, 2013.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the Members.

Item No. 5

Approval for creation of mortgage/ hypothecation and/or charge under Section 180(1)(a) of the Companies Act, 2013:

As per the provisions of Section 180(1)(a) of the Act, the Board of Directors shall not except with the consent of the members of the Company by way of Special Resolution sell, lease or otherwise dispose of the whole or substantially whole of the undertaking(s) of the Company.

Creation of mortgage/ hypothecations and/or charge, in favour of the Lender(s), Agents(s), Trustee(s) or any other person(s), on all or any moveable/immoveable properties and other assets of the Company wherever situated, both present and future, as and when necessary, to secure any Loan (Rupee/ foreign currency loan), or money raised through debt securities issued/ to be issued, with the power to take over the management of the business, is regarded as disposal of the Company's whole or substantially the whole of the undertaking(s) within the meaning of Section 180(1)(a).

At the 27th Annual General Meeting of the Company held on 27th December, 2013, the Members pursuant to the provisions of Section 180(1)(a) of the Act, authorized the Board of Directors of the Company for mortgaging and/or charging all or any of the present and/or future movable, immovable properties or other assets of the Company from time to time to secure the sum(s) of money borrowed and remaining outstanding at any time not exceeding ₹ 16,500 Crore (Rupees Sixteen Thousand Five Hundred Crore Only).

The approval of the Members is being sought at Item No. 4 of the Notice pursuant to Section 180(1)(c) of the Act, to borrow money up to ₹26,000 Crore (Rupees Twenty Six Thousand Crore Only) in excess of the aggregate of paid-up share capital, free reserves and securities premium of the Company. The borrowings of the Company may be required to be secured by way of creation of mortgage/ hypothecations and/or charge on all or any of the movable, immovable properties or other assets of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time, in consultation with the lender(s).

It is proposed to seek approval of Members under Section 180(1)(a) of the Act, authorizing the Board of Directors of the Company to create mortgage/ hypothecations and/or charge on all or any of the moveable, immoveable properties or other assets of the Company, subject to the limits approved by the Members under Section 180(1)(c) of the Companies Act, 2013.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the Members.

Item No. 6

Approval for Material Related Party Transactions of the Company:

The Company is an integrated textile manufacturing company. The annual consolidated turnover of the Company as on 31st March, 2023 is ₹6,937.29 Crore (excluding duties and taxes).

In furtherance of its business activities, the Company has entered into/ will enter into transaction(s)/ contract(s)/ agreement(s)/ arrangement(s) with Related Parties, in terms of Regulation 2(1)(zc)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

All related party transactions of the Company are at arm’s length and in the ordinary course of business.

The Company has a well-defined governance process for the related party transactions undertaken by it. These transactions are reviewed by an Independent chartered accountant firm for arm’s length consideration and their report is presented to the Audit Committee.

Further, all related party transactions are undertaken after obtaining prior approval of the Audit Committee. All related party transactions have been unanimously approved by the Audit Committee after satisfying itself that the related party transactions are at arm’s length and in the ordinary course of business. The Audit Committee of the Company reviews on a quarterly basis, the details of all related party transactions entered into by the Company during the previous quarter, pursuant to its approvals.

In accordance with Regulation 23 of the Listing Regulations, approval of the shareholders is sought for related party transactions which, in a financial year, exceed the lower of (i) ₹1,000 crore; and (ii) 10% of the annual consolidated turnover of the Company as per the last audited financial statements.

The material related party transactions for which the approval of the shareholders is being sought are as given below:

1. Transaction of the Company with Reliance Industries Limited (‘RIL’), Promoter of the Company/ entity having joint control over the Company, for raising of funds by ways of issue of securities/ debt instruments and availing loans/ obtaining guarantees; supply of feedstock and goods; and for job-work;
2. Transaction of the Company with Reliance Retail Limited, step-down subsidiary of RIL for purchase/ sale of fabrics, readymade garments, other products and allied transactions.

The values of related party transactions specified in the Tables below exclude duties and taxes.

The approval of the shareholders pursuant to Resolution no.6 is being sought for the following related party transactions/ contracts/ agreements/ arrangements set out in table nos. A1 and A2.

In addition to the transactions set out in Tables below, approval of the shareholders is also being sought for any other transactions between the parties for transfer of resources, services and obligations in the ordinary course of business, on arm’s length basis and in compliance with applicable laws, as approved by the Audit Committee. The value of such additional transactions is included in the values set out in the Tables below.

The value of transactions (for which the approval is being sought) for the period commencing from 1st April, 2023 till the date of this Notice has not exceeded the materiality threshold.

The details of transactions as required under Regulation 23(4) of the Listing Regulations read with Section III-B of the SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11th July, 2023 (“SEBI Master Circular”) are set forth below:

A1. Transactions with Reliance Industries Limited, Promoter of the Company/ entity having joint control over the Company:

S.N.	Particulars	Details
1.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	**Name of Related Party –** Reliance Industries Limited" ("RIL") **Relationship:** RIL is Promoter of the Company/ entity having joint control over the Company. RIL holds 40.01% of paid-up equity share capital of the Company. RIL is engaged in activities spanning across hydrocarbon exploration and production, oil to chemicals, retail, digital services advanced materials and composites, and renewables (solar and hydrogen).
2.	Name of Director(s) or Key Managerial Personnel who is related, if any	Not Applicable
3.	Type, tenure, material terms and particulars	i) Sale/ purchase/ job-work of polyester, feedstock and other products. The Company purchases raw materials from RIL and sells polyester, yarn, and other products of the Company. The pricing for sale/ purchase transactions is at market rates; and for job-work, it is on cost-plus margin. The above transactions were undertaken pursuant to an approved resolution plan submitted by RIL along with JM Financial Asset Reconstruction Company Limited ("JMFARC") and approved by the Hon'ble National Company Law Tribunal, Ahmedabad Bench, vide its order dated 8th March, 2019. Accordingly, these transactions were exempted from the provisions of Regulation 23 of the Listing Regulations. It is now proposed to increase the transaction values of the contracts and accordingly, approval of shareholders is being sought under Regulation 23 of the Listing Regulations. ii) The Company will raise funds by way of issue of securities/ debt instruments and/or avail loans, advances, and guarantees from RIL for business purposes. The interest will be paid as mutually agreed and as per applicable provisions of the Companies Act, 2013. Issue of securities to RIL will be in accordance with the applicable provisions of the Companies Act, 2013 and SEBI Regulations. The above arrangements are continuing business transactions. Approval of the shareholders is being sought for transactions during the 5 financial years i.e., from FY 2023-24 to FY 2027-28.
4.	Value of the proposed transaction	i) The Company estimates that monetary value for purchase of products/ feedstocks from RIL and allied transactions in each of the 5 financial years from FY 2023-24 to FY 2027-28 to be upto ₹5,000 crore. ii) The Company estimates that monetary value for sale of products/ job-work services to RIL and allied transactions in each of the 5 financial years from FY 2023-24 to FY 2027-28 to be upto ₹1,500 crore. iii) The Company estimates that monetary value of transactions from FY 2023-24 to FY 2027-28 for issue of securities/ debt instruments to RIL and/ or loans/ advances/ guarantees to be availed from RIL and outstanding at any point in time to be upto ₹7,000 crore The interest on the outstanding cumulative loan/ debt securities will be paid as mutually agreed and as per applicable provisions of the Companies Act, 2013.

S.N.	Particulars	Details
5.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	a) The estimated transaction value for purchase of products/ feedstock from RIL and allied transactions for FY 2023-24 represents 72.07% of annual consolidated turnover of the Company for FY 2022-23; b) The estimated transaction value for sale of products/ job-work services to RIL and allied transactions for FY 2023-24 represents 21.62% of annual consolidated turnover of the Company for FY 2022-23; and c) The estimated transaction value for issue of securities/ debt instruments/ loans/ advances/ guarantees to be availed by the Company from RIL represents 100.90% of annual consolidated turnover of the Company for FY 2022-23.
6.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	
	i) details of the source of funds in connection with the proposed transaction;	Not Applicable
	ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, • nature of indebtedness; • cost of funds; and • tenure;	Not Applicable
	iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and	Not Applicable
	iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
7.	Justification as to why the RPT is in the interest of the listed entity	a) The Company and RIL are both in the business of polyester products. Sale/ Purchase/ Job-work of polyester and other products will enable the Company and RIL to source and supply polyester and other products produced by each to the market at competitive prices. b) the Company proposes to raise capital from RIL through issue of securities; availment of loans & advances from time to time to enable the Company to meet its funding requirements and guarantees to enable the Company to borrow monies.

S.N.	Particulars	Details
8.	A copy of the valuation or other external party report, if any such report has been relied upon	Not Applicable
9.	Any other information that may be relevant	All relevant/important information forms part of this Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013.

None of the Directors / Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the said transactions.

A2. Transaction with Reliance Retail Limited, a member of the same group i.e. Reliance Industries Limited:

S.N.	Particulars	Details
1.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	**Name of Related Party –** Reliance Retail Limited (“RRL”) **Relationship:** RRL is a step-down subsidiary of RIL. RRL is engaged in organised retail spanning across various consumption baskets.
2.	Name of Director(s) or Key Managerial Personnel who is related, if any	Not Applicable
3.	Type, tenure, material terms and particulars of the proposed transaction	Purchase/ Sale of fabrics, readymade garments, other products and allied transactions. The Company purchases various products sold/traded by RRL. Further, the Company sells its manufactured/ traded products to RRL along with carrying out other allied transactions. The pricing for purchase/ sale transactions will be at market price or on cost-plus margin where market price is not available. The above arrangements are continuing business transactions. Approval of the shareholders is being sought for transactions during the 5 financial years i.e., from FY 2023-24 to FY 2027-28.
4.	Value of the proposed transaction	The Company estimates that the transaction value between Company and RRL for purchase and sale will be ₹90 crore and ₹900 crore respectively in each of the 5 financial years from FY 2023-24 to FY 2027-28.
5.	The percentage of the listed entity’s annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary’s annual turnover on a standalone basis shall be additionally provided)	The estimated transactions value between Company and RRL for purchase and sale represents 1.30% and 12.97% respectively of annual consolidated turnover of the Company for FY 2022-23.
6.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	
	i) details of the source of funds in connection with the proposed transaction;	Not Applicable

S.N.	Particulars	Details
	ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, • nature of indebtedness; • cost of funds; and • tenure;	Not Applicable
	iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and	Not Applicable
	iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
7.	Justification as to why the RPT is in the interest of the listed entity	RRL has wide network of stores selling quality products at competitive prices. RRL has a large customer base and wide distribution network which will entail the Company larger volume that helps the Company to expand/ grow its garments, fabrics and home textile business.
8.	A copy of the valuation or other external party report, if any such report has been relied upon	Not Applicable
9.	Any other information that may be relevant	All relevant/important information forms part of this Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the said transactions.

Pursuant to Regulation 23 of the Listing Regulations, Members may also note that no related party of the Company shall vote to approve the Ordinary Resolution set out at Item No. 6 whether the entity is a related party to the particular transaction or not.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members.

By Order of the Board of Directors
For **Alok Industries Limited**

Hitesh Kanani
Company Secretary and
Compliance Officer
Membership No.: F6188

Place: Mumbai
Date: 22nd August, 2023

Registered Office:
Survey Nos. 17/5/1 & 521/1,
Village Rakholi/ Saily, Silvassa – 396 230,
Union Territory of Dadra & Nagar Haveli.
CIN: L17110DN1986PLC000334
Website: www.alokind.com
E-mail: investor.relations@alokind.com
Tel No.: 0260-6637001

ANNEXURE TO THE NOTICE DATED 22ND AUGUST, 2023.

Details of Director retiring by rotation at the Meeting:

Name	:	**Mr. V. Ramachandran (DIN: 02032853)**
Date of Birth/ Age	:	26th June, 1971/ 52 Years
Designation	:	Nominee Director (Non-Executive) representing Reliance Industries Limited
Nationality	:	Indian
Profile	:	Provided in the Corporate Governance Report
Experience (including expertise in specific functional area)	:	More than 25 years in audit, accounting, finance taxation and corporate law functions
Date of first appointment on the Board	:	14th September, 2020
Qualification		An Associate Member of the Institute of Chartered Accountants of India, the Institute of Cost Accountants of India and the Institute of Company Secretaries of India
Terms and conditions of re-appointment	:	Mr. V. Ramachandran, who was re-appointed as a Nominee-Director (Non-Executive) of the Company, representing Reliance Industries Limited at the Annual General Meeting held on 29th December, 2020, is liable to retire by rotation
Details of remuneration sought to be paid	:	The Non-Executive Non-Independent Directors of the Company have unanimously decided to waive their sitting fees for attending the Meetings of the Board of Directors and/or the Committee(s)
Last drawn remuneration, if applicable	:	N.A.
Shareholding in the Company including shareholding as a beneficial owner as on 31.03.2023	:	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	:	Not related to any other Director or Key Managerial Personnel of the Company
The number of Meetings of the Board attended during the Financial Years	:	4 (2022-2023)
Directorship held in other companies as on 31.03.2023 (including listed companies)	:	1. Genesis Colors Limited 2. Intelligent Supply Chain Infrastructure Management Private Limited 3. RB Holdings Private Limited 4. Watermark Infratech Private Limited 5. RB Media Holdings Private Limited 6. RB Mediasoft Private Limited 7. Adventure Marketing Private Limited 8. RRB Mediasoft Private Limited 9. Reliance Brands Luxury Fashion Private Limited 10. Jio Cable and Broadband Holdings Private Limited 11. Jio Futuristic Digital Holdings Private Limited 12. Jio Digital Distribution Holdings Private Limited 13. Colorful Media Private Limited 14. Elakshi Commercials Private Limited 15. Pinakin Commercials Private Limited 16. Pushkara Commercials Private Limited

Resignation from Directorship of listed companies in past three Financial Years as on 31.03.2023	:	NIL
Membership/Chairmanship of Committees of other Companies as on 31.03.2023	:	**Jio Digital Distribution Holdings Private Limited** • Corporate Social Responsibility Committee – Chairman **Jio Cable and Broadband Holdings Private Limited** • Corporate Social Responsibility Committee – Chairman **Jio Futuristic Digital Holdings Private Limited** • Corporate Social Responsibility Committee – Chairman **Genesis Colors Limited** • Nomination and Remuneration Committee - Chairman

By Order of the Board of Directors
For **Alok Industries Limited**

Hitesh Kanani
Company Secretary and
Compliance Officer
Membership No.: F6188

Place: Mumbai
Date: 22nd August, 2023

ATTENDANCE SLIP

ALOK INDUSTRIES LIMITED

CIN: L17110DN1986PLC000334

Registered Office: Sy Nos. 17/5/1 & 521/1, Village Rakholi/ Saily, Silvassa-396230, Union Territory of Dadra and Nagar Haveli
Website: www.alokind.com; e-mail: investor.relations@alokind.com; Tel.: 0260-6637001.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint Members may obtain additional slip at the venue of the Meeting.

DP Id*	:	Folio No.	:
Client Id*	:	No. of Shares	:

NAME AND ADDRESS OF THE MEMBERS:	

I hereby record my presence at the **36th ANNUAL GENERAL MEETING** of the Members of the Company held on **22nd September, 2023 at 12.30 p.m. at Victory Hall, Damanganga Valley (DGV) Resorts, Opp. Vandhara Garden, Naroli Road, Silvassa – 396 230, Union Territory of Dadra and Nagar Haveli.**

Signature of Member / Proxy

*Applicable for Members holding shares in electronic form

36TH ANNUAL GENERAL MEETING TO BE HELD ON FRIDAY, 22ND SEPTEMBER, 2023 AT 12:30 P.M.
MAP SHOWING LOCATION OF THE VENUE OF ANNUAL GENERAL MEETING OF ALOK INDUSTRIES LIMITED

<u>Venue:</u>
Victory Hall,
Damanganga (DGV) Resorts,
Opp. Vandhara Garden,
Naroli Road, Silvassa – 396 230,
Union Territory of Dadra and Nagar Haveli

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

ALOK INDUSTRIES LIMITED

CIN: L17110DN1986PLC000334

Registered Office: Sy Nos. 17/5/1 & 521/1, Village Rakholi/ Saily, Silvassa-396230, Union Territory of Dadra and Nagar Haveli
Website: www.alokind.com; e-mail: investor.relations@alokind.com; Tel.: 0260-6637001.

Name of the Member(s)	:	E-mail Id	:
Registered address	:	Folio No. / *Client Id	:
		*DP Id	:

I/We being the Member(s) of _____________ shares of Alok Industries Limited, hereby appoint:

1) ________________________of __________________________ having e-mail id __________________________or failing him

2) ________________________of __________________________ having e-mail id __________________________or failing him

3) ________________________of __________________________ having e-mail id _____________________________________

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **36th ANNUAL GENERAL MEETING** of the Members of the Company to be held on **Friday, 22nd September 2023, at 12:30 p.m.** at Victory Hall, Damanganga (DGV) Resorts, Opp. Vandhara Garden, Naroli Road, Silvassa – 396 230, Union Territory of Dadra and Nagar Haveli and at any adjournment thereof in respect of such resolutions as are indicated below:

* I/We wish my above proxy to vote in the manner as indicated in the box below:

	Resolutions	For (✓)	Against (✓)
1.	Consider and adopt: a) Audited standalone financial statement for the Financial Year ended 31st March, 2023 and the reports of the Board of Directors and Auditors thereon. b) Audited consolidated financial statement for the Financial Year ended 31st March, 2023 and the report of Auditors thereon.		
2.	Consider appointment of Mr. V. Ramachandran, Director retiring by rotation.		
3.	Ratification of the remuneration of the Cost Auditors for the Financial Year ending 31st March, 2024.		
4.	Approval for increase in borrowing limits under Section 180(1)(c) of the Companies Act, 2013		
5.	Approval for creation of mortgage/ hypothecation and/or charge under Section 180(1)(a) of the Companies Act, 2013.		
6.	Approval for Material Related Party Transactions of the Company.		

Signed this.................... day of.................2023

Signature of Member

Affix a Revenue Stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than forty-eight hours before the commencement of the Meeting.

2) A proxy need not be a Member of the Company and shall prove his identity at the time of attending the Meeting.

3) A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member.

4) This is only optional. Please put a '√' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote (on poll) at the Meeting in the manner he/she thinks appropriate.

5) Appointing a proxy does not prevent a Member from attending the Meeting in person if he / she so wishes. When a Member appoints a proxy and both the Member and proxy attend the Meeting, the proxy will stand automatically revoked.

6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

7) This form of proxy shall be signed by the appointer or his attorney duly authorised in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.

8) This form of proxy will be valid only if it is duly completed in all respects, properly stamped and submitted as per the applicable law. Incomplete form or form which remains unstamped or inadequately stamped or form upon which the stamps have not been cancelled will be treated as invalid.

9) Undated proxy form will not be considered valid.

10) If Company receives multiple proxies for the same holdings of a Member, the proxy which is dated last will be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple proxies will be treated as invalid.

REGISTERED OFFICE

17/5/1, 521/1, Village Rakholi/ Saily,
Silvassa-396 230,
Union Territory of Dadra and Nagar Haveli.
Tel No. 0260-6637001
E-mail: investor.relations@alokind.com
Website: www.alokind.com

CORPORATE OFFICE

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